

**COPY-**

**Application**

**Hospice**

**Compassus**

**CN1303-010**



STATE OF TENNESSEE  
Health Services and Dev Agency  
Office 31607001  
3/15/2013 4:22 PM

Cashier: annlr0811001  
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CON Filing Fees	
Receipt #: 09537616	
HA01 CON Filing Fees	\$3,000.00
Payment Total:	\$3,000.00
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CM1303-010

WALLER LANSDEN DORTCH & DAVIS LLP  
NASHVILLE CITY CENTER  
511 UNION STREET, SUITE 2700  
POST OFFICE BOX 198966  
NASHVILLE, TENNESSEE 37219-8966

Regions Bank General

87-1  
640

192607

Date: March 15, 2013

Pay: Three thousand and 00/100\*\*\*\*\*

PAY  
TO THE  
ORDER OF:

Health Services and Development Agency

\$ 3,000.00\*\*\*

Memo:

*Jay Gardner*

⑈ 192607⑈ ⑆064000017⑆ 0001920307⑈

Security Features included. Details on back.

1. Name of Facility, Agency, or Institution

Community Hospices of America - Tennessee, LLC d/b/a Hospice Compassus - The Highland Rim  
Name

1805 N. Jackson Street, Suites 5 and 6 Coffee  
Street or Route County  
Tullahoma TN 37388  
City State Zip Code

2. Contact Person Available for Responses to Questions

Kim H. Looney Attorney  
Name Title  
Waller Lansden Dortch & Davis, LLP kim.looney@wallerlaw.com  
Company Name Email address  
Suite 2700, 511 Union Street Nashville TN 37219  
Street or Route City State Zip Code  
Attorney 615-850-8722 615-244-6804  
Association with Owner Phone Number Fax Number

3. Owner of the Facility, Agency or Institution

Community Hospices of America - Tennessee, LLC 615-425-5406  
Name Phone Number  
12 Cadillac Drive, Suite 360 Williamson  
Street or Route County  
Brentwood TN 37027  
City State Zip Code

4. Type of Ownership of Control (Check One)

- |                                 |       |  |          |
|---------------------------------|-------|--|----------|
| A. Sole Proprietorship          | _____ | F. Government (State of TN or Political Subdivision) | _____    |
| B. Partnership                  | _____ | G. Joint Venture                                     | _____    |
| C. Limited Partnership          | _____ | H. Limited Liability Company                         | <u>X</u> |
| D. Corporation (For Profit)     | _____ | I. Other (Specify) _____                             | _____    |
| E. Corporation (Not-for-Profit) | _____ |  |          |

**PUT ALL ATTACHMENTS AT THE BACK OF THE APPLICATION IN ORDER AND REFERENCE THE APPLICABLE ITEM NUMBER ON ALL ATTACHMENTS.**

**Response:** Please see organizational documents included as Attachment A-4.

5. **Name of Management/Operating Entity (If Applicable)**

N/A

Name

Street or Route

County

City

State

Zip Code

**PUT ALL ATTACHMENTS AT THE END OF THE APPLICATION IN ORDER AND  
REFERENCE THE APPLICABLE ITEM NUMBER ON ALL ATTACHMENTS.**

6. **Legal Interest in the Site of the Institution (Check One)**

- A. Ownership \_\_\_\_\_  
B. Option to Purchase \_\_\_\_\_  
C. Lease of Five (5) Years X

- D. Option to Lease \_\_\_\_\_  
E. Other (Specify) \_\_\_\_\_

**PUT ALL ATTACHMENTS AT THE END OF THE APPLICATION IN ORDER AND  
REFERENCE THE APPLICABLE ITEM NUMBER ON ALL ATTACHMENTS.**

**Response:** Please see Lease included as Attachment A-6.

7. **Type of Institution (Check as appropriate--more than one response may apply)**

- A. Hospital (Specify) \_\_\_\_\_  
B. Ambulatory Surgical Treatment  
Center (ASTC), Multi-Specialty \_\_\_\_\_  
C. ASTC, Single Specialty \_\_\_\_\_  
D. Home Health Agency \_\_\_\_\_  
E. Hospice X  
F. Mental Health Hospital \_\_\_\_\_  
G. Mental Health Residential  
Treatment Facility \_\_\_\_\_  
H. Mental Retardation Institutional  
Habilitation Facility (ICF/MR) \_\_\_\_\_

- I. Nursing Home \_\_\_\_\_  
J. Outpatient Diagnostic Center \_\_\_\_\_  
K. Recuperation Center \_\_\_\_\_  
L. Rehabilitation Facility \_\_\_\_\_  
M. Residential Hospice \_\_\_\_\_  
N. Non-Residential Methadone  
Facility \_\_\_\_\_  
O. Birthing Center \_\_\_\_\_  
P. Other Outpatient Facility  
(Specify) \_\_\_\_\_  
Q. Other (Specify) \_\_\_\_\_

8. **Purpose of Review (Check) as appropriate--more than one response may apply)**

- A. New Institution \_\_\_\_\_  
B. Replacement/Existing Facility \_\_\_\_\_  
C. Modification/Existing Facility \_\_\_\_\_  
D. Initiation of Health Care  
Service as defined in  
TCA § 68-11-1607(4) X  
E. (Specify) Hospice X  
F. Discontinuance of OB Services \_\_\_\_\_  
G. Acquisition of Equipment \_\_\_\_\_

- H. Change in Bed Complement \_\_\_\_\_  
[Please note the type of change  
by underlining the appropriate  
response: Increase, Decrease,  
Designation, Distribution,  
Conversion, Relocation]  
I. Change of Location \_\_\_\_\_  
J. Other (Specify) \_\_\_\_\_

9. **Bed Complement Data**

*Please indicate current and proposed distribution and certification of facility beds.*

Response: N/A

	Current Beds		Staffed	Beds	TOTAL
	Licensed	*CON	Beds	Proposed	Beds at Completion
A. Medical	_____	_____	_____	_____	_____
B. Surgical	_____	_____	_____	_____	_____
C. Long-Term Care Hospital	_____	_____	_____	_____	_____
D. Obstetrical	_____	_____	_____	_____	_____
E. ICU/CCU	_____	_____	_____	_____	_____
F. Neonatal	_____	_____	_____	_____	_____
G. Pediatric	_____	_____	_____	_____	_____
H. Adult Psychiatric	_____	_____	_____	_____	_____
I. Geriatric Psychiatric	_____	_____	_____	_____	_____
J. Child/Adolescent Psychiatric	_____	_____	_____	_____	_____
K. Rehabilitation	_____	_____	_____	_____	_____
L. Nursing Facility (non-Medicaid Certified)	_____	_____	_____	_____	_____
M. Nursing Facility Level 1 (Medicaid only)	_____	_____	_____	_____	_____
N. Nursing Facility Level 2 (Medicare only)	_____	_____	_____	_____	_____
O. Nursing Facility Level 2 (dually certified Medicaid/Medicare)	_____	_____	_____	_____	_____
P. ICF/MR	_____	_____	_____	_____	_____
Q. Adult Chemical Dependency	_____	_____	_____	_____	_____
R. Child and Adolescent Chemical Dependency	_____	_____	_____	_____	_____
S. Swing Beds	_____	_____	_____	_____	_____
T. Mental Health Residential Treatment	_____	_____	_____	_____	_____
U. Residential Hospice	_____	_____	_____	_____	_____
TOTAL	=====	=====	=====	=====	=====

\*CON-Beds approved but not yet in service

10. Medicare Provider Number 441570  
Certification Type Hospice

11. Medicaid Provider Number 0441570  
Certification Type Hospice

12. If this is a new facility, will certification be sought for Medicare and/or Medicaid? N/A

13. **Identify all TennCare Managed Care Organizations/Behavioral Health Organizations (MCOs/BHOs) operating in the proposed service area. Will this project involve the treatment of TennCare participants? Yes. If the response to this item is yes, please identify all MCOs/BHOs with which the applicant has contracted or plans to contract.**

***Discuss any out-of-network relationships in place with MCOs/BHOs in the area.***

**Response:** The applicant contracts with all of the Medicaid HMOs in the area: AmeriChoice, UnitedHealthcare Community Plan, and VHPN. It also contracts with several commercial plans, including, but not limited to, BlueCross BlueShield, Cigna, Aetna, and United Healthcare.

**NOTE:** Section B is intended to give the applicant an opportunity to describe the project and to discuss the need that the applicant sees for the project. Section C addresses how the project relates to the Certificate of Need criteria of Need, Economic Feasibility, and the Contribution to the Orderly Development of Health Care. Discussions on how the application relates to the criteria should not take place in this section unless otherwise specified.

## **SECTION B: PROJECT DESCRIPTION**

Please answer all questions on 8 1/2" x 11" white paper, clearly typed and spaced, identified correctly and in the correct sequence. In answering, please type the question and the response. All exhibits and tables must be attached to the end of the application in correct sequence identifying the questions(s) to which they refer. If a particular question does not apply to your project, indicate "Not Applicable (NA)" after that question.

- I. Provide a brief executive summary of the project not to exceed two pages. Topics to be included in the executive summary are a brief description of proposed services and equipment, ownership structure, service area, need, existing resources, project cost, funding, financial feasibility and staffing.

**Response:** Please see Executive Summary included as Attachment B-I.

- II. Provide a detailed narrative of the project by addressing the following items as they relate to the proposal.

- A. Describe the construction, modification and/or renovation of the facility (exclusive of major medical equipment covered by T.C.A. § 68-11-1601 et seq.) including square footage, major operational areas, room configuration, etc. Applicants with hospital projects (construction cost in excess of \$5 million) and other facility projects (construction cost in excess of \$2 million) should complete the Square Footage and Cost per Square Footage Chart. Utilizing the attached Chart, applicants with hospital projects should complete Parts A.-E. by identifying as applicable nursing units, ancillary areas, and support areas affected by this project. Provide the location of the unit/service within the existing facility along with current square footage, where, if any, the unit/service will relocate temporarily during construction and renovation, and then the location of the unit/service with proposed square footage. The total cost per square foot should provide a breakout between new construction and renovation cost per square foot. Other facility projects need only

complete Parts B.-E. Please also discuss and justify the cost per square foot for this project.

If the project involves none of the above, describe the development of the proposal.

**Response:** The applicant seeks approval to deliver hospice services to residents of Lincoln County, Tennessee. Hospice Compassus is currently licensed and provides services in the Tennessee counties of Bedford, Cannon, Coffee, Franklin, Giles, Grundy, Hickman, Lawrence, Lewis, Marshall, Maury and Moore. These counties surround Lincoln County. The applicant regularly receives requests for hospice services for residents of Lincoln County that it is unable to provide because it is not currently licensed in Lincoln County.

In addition to providing general hospice services, Hospice Compassus provides perinatal and pediatric hospice services, and offers a palliative care program. No other hospice service provider licensed in Lincoln County provides similar services. As evidenced in this application, Lincoln County residents need the type of hospice services offered by the applicant.

Thus, Hospice Compassus requests that the Tennessee Health Services and Development Agency approve this application for the expansion of its existing service area to include hospice services to Lincoln County residents.

- B. Identify the number and type of beds increased, decreased, converted, relocated, designated, and/or redistributed by this application. Describe the reasons for change in bed allocations and describe the impact the bed change will have on the existing services.

**Response:** Not applicable.





C. As the applicant, describe your need to provide the following health care services (if applicable to this application):

1. Adult Psychiatric Services
2. Alcohol and Drug Treatment for Adolescents (exceeding 28 days)
3. Birthing Center
4. Burn Units
5. Cardiac Catheterization Services
6. Child and Adolescent Psychiatric Services
7. Extracorporeal Lithotripsy
8. Home Health Services
9. **Hospice Services**
10. Residential Hospice
11. ICF/MR Services
12. Long-term Care Services
13. Magnetic Resonance Imaging (MRI)
14. Mental Health Residential Treatment
15. Neonatal Intensive Care Unit
16. Non-Residential Methadone Treatment Centers
17. Open Heart Surgery
18. Positron Emission Tomography
19. Radiation Therapy/Linear Accelerator
20. Rehabilitation Services
21. Swing Beds

**Response:** The applicant seeks to deliver hospice service to residents of Lincoln County, Tennessee. In addition to providing general hospice services, Hospice Compassus offers perinatal and pediatric hospice services, as well as palliative care services. These specialized services are particularly important because they are currently unavailable to residents of Lincoln County. The applicant would be able to fill a need for services that is not being met, should this application be approved.

Hospice Compassus currently provides services to all of the Tennessee counties surrounding Lincoln County, including Bedford, Cannon, Coffee, Franklin, Giles, Grundy, Hickman, Lawrence, Lewis, Marshall, Maury and Moore, but is unable to respond to the requests for service that it regularly receives for residents of Lincoln County. For example, the applicant recently received three (3) referrals for hospice services from Huntsville Hospital that it could not accept because the patients resided in Lincoln County. The applicant desires to provide high quality hospice services to residents of Lincoln County, but also desires to provide services there because Lincoln County represents a gap in its service area. It does not make sense from a business perspective for the applicant not to provide hospice services in Lincoln County. Obtaining a license to operate in Lincoln County would allow Hospice Compassus to begin providing both general and specialized hospice services to residents of Lincoln County, thereby satisfying the current unmet need for such services and providing residents of Lincoln County with access to specialized, high quality hospice care, as well as fill in the gap in its current service area.

D. Describe the need to change location or replace an existing facility.

**Response:** Not applicable.

E. Describe the acquisition of any item of major medical equipment (as defined by the Agency Rules and the Statute) which exceeds a cost of \$1.5 million; and/or is a magnetic resonance imaging (MRI) scanner, positron emission tomography (PET) scanner, extracorporeal lithotripter and/or linear accelerator by responding to the following:

1. For fixed-site major medical equipment (not replacing existing equipment):

a. Describe the new equipment, including:

1. Total cost ;(As defined by Agency Rule).
2. Expected useful life;
3. List of clinical applications to be provided; and
4. Documentation of FDA approval.

**Response:** Not applicable.

b. Provide current and proposed schedules of operations.

**Response:** Not applicable.

2. For mobile major medical equipment:

- a. List all sites that will be served;
- b. Provide current and/or proposed schedule of operations;
- c. Provide the lease or contract cost.
- d. Provide the fair market value of the equipment; and
- e. List the owner for the equipment.

**Response:** Not applicable.

3. Indicate applicant's legal interest in equipment (i.e., purchase, lease, etc.) In the case of equipment purchase include a quote and/or proposal from an equipment vendor, or in the case of an equipment lease provide a draft lease or contract that at least includes the term of the lease and the anticipated lease payments.

**Response:** Not applicable.

III. (A) Attach a copy of the plot plan of the site on an 8 1/2" x 11" sheet of white paper which **must include:**

1. Size of site (*in acres*);
2. Location of structure on the site; and
3. Location of the proposed construction.
4. Names of streets, roads or highway that cross or border the site.

***Please note that the drawings do not need to be drawn to scale. Plot plans are required for all projects.***

**Response:** Please see attached copy of the plot plan included as Attachment B.III(A). The office is located on a 3.5 acre site.

- (B) 1. Describe the relationship of the site to public transportation routes, if any, and to any highway or major road developments in the area. Describe the accessibility of the proposed site to patients/clients.

**Response:** Not applicable. For the provision of hospice services, the applicant will treat patients in their homes so patients will not be required to travel in order to receive services. The applicant currently has employees living in Lincoln County and it is anticipated that these employees would provide services to Lincoln County hospice patients if this application is approved. The applicant's main office is located at 1805 N. Jackson Street, Suites 5 and 6, Tullahoma, TN 37388.

- IV. Attach a floor plan drawing for the facility which includes legible labeling of patient care rooms (noting private or semi-private), ancillary areas, equipment areas, etc. on an 8 1/2" x 11" sheet of white paper.

**NOTE: DO NOT SUBMIT BLUEPRINTS.** Simple line drawings should be submitted and need not be drawn to scale.

**Response:** Please see attached floor plans included as Attachment B.IV. The document labeled "Emergency Exit Map" represents the floor plan of the applicant's main administrative office located at 1805 N. Jackson Street, Suites 5 and 6, Tullahoma, TN 37388. The second document represents the floor plan of the applicant's office space for clinical staff and document storage located at Suites 9 and 10 of the same address.

- V. For a Home Health Agency or Hospice, identify:

1. Existing service area by County;

**Response:** Hospice Compassus currently provides services in the following Tennessee counties: Bedford, Cannon, Coffee, Franklin, Giles, Grundy, Hickman, Lawrence, Lewis, Marshall, Maury and Moore.

2. Proposed service area by County;

**Response:** Lincoln County

3. A parent or primary service provider;

**Response:** Hospice Compassus is owned by Community Hospices of America - Tennessee, LLC, located at 12 Cadillac Drive, Suite 360, Brentwood, TN 37207.

4. Existing branches; and

**Response:** Hospice Compassus' main administrative office is located at 1850 N. Jackson St., Suites 5 and 6, Tullahoma, TN 37388. Hospice Compassus has a branch office located at 1412 Trotwood Ave., Suite 5, Columbia, TN 38401.

5. Proposed branches.

**Response:** No additional branches are proposed as part of this project.

## **SECTION C: GENERAL CRITERIA FOR CERTIFICATE OF NEED**

In accordance with Tennessee Code Annotated § 68-11-1609(b), "no Certificate of Need shall be granted unless the action proposed in the application for such Certificate is necessary to provide needed health care in the area to be served, can be economically accomplished and maintained, and will contribute to the orderly development of health care." The three (3) criteria are further defined in Agency Rule 0720-4-.01. Further standards for guidance are provided in the state health plan (Guidelines for Growth), developed pursuant to Tennessee Code Annotated §68-11-1625.

The following questions are listed according to the three (3) criteria: (I) Need, (II) Economic Feasibility, and (III) Contribution to the Orderly Development of Health Care. Please respond to each question and provide underlying assumptions, data sources, and methodologies when appropriate. Please type each question and its response on an 8 1/2" x 11" white paper. All exhibits and tables must be attached to the end of the application in correct sequence identifying the question(s) to which they refer. If a question does not apply to your project, indicate "Not Applicable (NA)."

### **QUESTIONS** **NEED**

1. Describe the relationship of this proposal toward the implementation of the State Health Plan and Tennessee's Health: Guidelines for Growth.
  - a. Please provide a response to each criterion and standard in Certificate of Need Categories that are applicable to the proposed project. Do not provide responses to General Criteria and Standards (pages 6-9) here.

**Response:** Following are the specific criteria for the initiation of hospice services.

#### **Need:**

1. Hospices shall have the capacity to admit new patients in a quantity equal to the sum of:
  - a. 55% of the mean annual number of cancer deaths in the hospice service area during the preceding two years; and
  - b. 12% of the mean annual number of deaths from all other non-traumatic causes in the hospice service area during the preceding three years.

**RESPONSE:** The hospice service area at issue is Lincoln County, Tennessee. According to data from the Tennessee Department of Health, Lincoln County residents experienced cancer deaths in 2010 and 2011<sup>1</sup> as follows:

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<sup>1</sup> Data for 2012 was not yet available at the time this CON application was prepared.

## **LINCOLN COUNTY CANCER DEATHS**

<b>Year</b>	<b>Deaths</b>
2010	93
2011	81
Total	174

Source: Tennessee Department of Health, Office of Health Statistics, 2009, 2010, 2011

Fifty-five percent (55%) of the mean annual number of cancer deaths in Lincoln County for 2010 and 2011 is 47.85 patients, rounded up to 48 patients.

According to the Tennessee Department of Health, Lincoln County residents experienced non-cancer non-trauma deaths in 2009, 2010, and 2011 as follows:

## **LINCOLN COUNTY NON-CANCER, NON-TRAUMA DEATHS**

<b>Year</b>	<b>Deaths</b>
2009	264
2010	275
2011	278

Source: Tennessee Department of Health, Division of Policy, Planning and Assessment, Office of Health Statistics, 2009, 2010, 2011

Twelve percent (12%) of the mean annual number of deaths from non-cancer non-traumatic causes in Lincoln County for 2009, 2010 and 2011 is 32.68 patients, rounded up to 33 patients.

This formula generates a need for hospice services in Lincoln County of 81 patients.

2. New hospices shall be approved for Certificate of Need only if the projected need, as determined by this formula, exceeds service levels by 150 or more patients per year.

**RESPONSE:** The existing hospice service level in Lincoln County, according to the 2011 Joint Annual Report of Hospice is 116 patients. Pursuant to the need calculation formula, this results in a surplus of 35 patients in Lincoln County.

However, the need formula established in 2000 seriously underestimates the existing need for hospice services. Hospice care is a fairly new phenomenon. In 1979, the Health Care Financing Administration (HCFA, now CMS) initiated

demonstration programs at 26 hospices across the county to assess the cost effectiveness of hospice care and to help determine what care a hospice provider should and should not provide. In the TEHRA Act of 1982, Congress created a temporary Medicare hospice benefit, which was made final in 1986. It was not until 1993 that hospice was included as a nationally guaranteed benefit under President Clinton's health reform bill. In the 2000's, hospice care became more recognized and accepted as a treatment benefit. In 2010, the Patient Protection and Affordable Care Act requires State Medicaid programs to allow children with a life-limiting illness to receive both hospice care and curative treatment. Between 2000, when the current hospice guidelines were established and 2007, hospice utilization in the United States increased 68%, according to the National Health Statistics Reports, Number 38, April 27, 2011. According to the 2012 Edition of the NHPCO Facts and Figures & Hospice Care in America, utilization for hospice increased 17% between 2007 and 2011.

A rough calculation to determine the current need for hospice services is to develop a use rate based on the current utilization of hospice services in the United States. Based on a population in 2011 of 311,591,917 persons, and utilization of hospice services by 1,650,000 persons, a use rate of .00529 can be calculated. When you apply this use rate to the 2017 population estimate of 35,103 in Lincoln County, a need for hospice for 186 patients exists, significantly more than the 116 patients that received hospice services in 2011. This results in a net need for 70 patients in 2017, more than twice the number the applicant projects serving.

#### **CON Review Criteria**

1. The application shall document the existence of at least one of the following three conditions to demonstrate a need for additional hospice services in an area:
  - a. absence of services by a hospice certified for Medicaid and Medicare, and evidence that the applicant will provide Medicaid- and Medicare-certified hospice in the area; or
  - b. absence of services by a hospice that serves patients regardless of the patient's ability to pay, and evidence that the applicant will provide services for patients regardless of ability to pay; or
  - c. evidence that existing programs fail to meet the demand for hospice services for persons who have terminal cancer or other qualifying terminal illness.

**RESPONSE:** Almost 92% of the applicant's patients are Medicare beneficiaries and the applicant expects to continue to treat this volume of Medicare patients. In addition to treating a high volume of Medicare beneficiaries, the applicant provides a substantial amount of indigent care, routinely providing care to indigent patients that may not otherwise have access to quality hospice services. The applicant generally treats 5-6 indigent patients at any given time, and occasionally provides services to as many as 8-9 indigent patients at one time. The applicant feels strongly about providing quality hospice services to any patient in need, regardless of the patient's ability to pay, as is clear from the applicant's charity care program.

Additionally, Hospice Compassus offers perinatal and pediatric hospice services, as well as palliative care hospice services, that no other licensed hospice provider in Lincoln County currently offers. The applicant routinely receives requests from residents of Lincoln County. The applicant's specialized hospice services will be of particular value to residents of Lincoln County because they are currently unavailable in that service area.

The applicant has had great success with its specialized hospice services throughout the rest of its service area. For instance, it works closely with Vanderbilt Children's Hospital, St. Jude Children's Research Hospital, Huntsville Hospital, and others, and has developed a network of providers that work together to improve the quality of life of hospice patients and their families by providing them with high quality care while reducing unnecessary travel and providing them with counseling and support throughout a difficult process.

The applicant's perinatal and pediatric hospice services complement each other and, through these services, the applicant is able to provide support and care to families going through devastating circumstances. Through its perinatal program, the applicant will attend physician appointments with an expectant mother whose baby is expected to live only for a short time after birth, or in some cases may have already died, during the last trimester of her pregnancy. The applicant provides grief counseling and support to the expectant mother, as well as to the entire family, including siblings. The applicant works with the family to formulate a plan to implement upon the baby's birth that includes both a clinical aspect, i.e. the types of comfort that can be medically provided to the baby, and a personal aspect, i.e. the types of mementos the family would like to have, such as the baby's handprints and footprints. This service provides hospice care in the form of counseling, and comfort to families going through very difficult circumstances. A general hospice program cannot match these services.

The applicant's recently established pediatric program is already servicing numerous patients and, like the applicant's perinatal program, is providing an invaluable service to patients and their families. The applicant's pediatric hospice patients have thus far included children aged three (3) months through nine (9) years of age who suffer from cancer, genetic disorders, and other fatal illnesses. At least two (2) of these pediatric hospice patients are indigent. In order to make obtaining care as easy as possible for families with children in hospice, the applicant has partnered with Huntsville Hospital in Huntsville, Alabama. Huntsville Hospital is affiliated with St. Jude Children's Research Hospital, making it possible for a St. Jude cancer patient who is receiving hospice services from the applicant to receive any necessary care at Huntsville Hospital rather than having to travel back to St. Jude. This is just one example of the type of relationships the applicant has developed with other providers that allows them to lessen the burden on patients and their families while providing them with the highest quality of care.

The applicant's palliative care program is of significant value to those residents of Lincoln County who are suffering from chronic illnesses such as congestive heart failure or COPD. Because the life expectancy of these patients is generally greater than six (6) months, they are not appropriate candidates for the applicant's hospice program but are still in need of quality care. For this reason, the applicant established its palliative care program through which it sees patients suffering from

chronic illness in a consultative model and works with them to treat and manage their symptoms at home. The applicant recently applied for a Medicare Part B palliative care license, a unique certification that sets it apart from most other hospice providers.

The applicant's hospice and palliative care services will also assist hospitals in reducing the number of hospital admissions and days, ICU admission and days, 30 day hospital readmissions and in-hospital-deaths, as supported by a study from Mount Sinai's Icahn School of Medicine, published in the March 2013 edition of *Health Affairs*.<sup>2</sup> The initiation of this service will have a significant impact on hospital reimbursement, alleviating the negative impact on reimbursement that results from extended stays and frequent readmissions.

Lincoln County residents currently do not have access to any comparable specialized hospice and palliative care programs. Thus, the applicant seeks approval of its request to provide hospice services in Lincoln County.

2. The applicant shall set forth its plan for care of patients without private insurance coverage and its plan for care of medically underserved populations. The applicant shall include demographic identification of underserved populations in the applicant's proposed service area and shall not deny services solely based on the patient's ability to pay.

**RESPONSE:** The applicant will provide quality hospice services to all residents of Lincoln County in need of such services, regardless of their ability to pay. The applicant is regularly providing hospice services to 5-6 indigent patients at any given time and feels strongly about providing quality hospice services to any patient in need, as its charity care policy reflects. The applicant will not deny services to any patient based solely on the patient's ability to pay.

### **Exception to the Hospice Formula**

The applicant must demonstrate that circumstances exist to justify the approval of a new hospice. Evidence submitted by the applicant must document one or more of the following:

1. That a specific terminally ill population is not being served;
2. That a county or counties within the service area of a licensed hospice program are not being served; and
3. That there are persons referred to hospice programs who are not being admitted within 48 hours (excluding cases where a later admission date has been requested). The applicant shall indicate the number of persons.

If the need for exception to the hospice formula is justified, then the review criteria above shall also apply.

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<sup>2</sup> Amy S. Kelley, Partha Deb, Qingling Du, Melissa D. Aldridge Carlson & R. Sean Morrison, "Hospice Enrollment Saves Money for Medicare and Improves Care Quality Across a Number of Different Lengths-Of-Stay," *Health Affairs*, Vol. 32 No.3, pp. 552-561 (March 2013).



**RESPONSE:** The applicant believes its request to offer hospice services in Lincoln County should be approved for numerous reasons. Primarily, there is a small terminally ill population that is not being served. The residents of Lincoln County do not have access to the perinatal and pediatric hospice services that Hospice Compassus offers, nor do they have access to palliative care services comparable to those offered by the applicant. The applicant also provides a substantial amount of charity care, treating all patients regardless of their ability to pay and ensuring that quality hospice care is available to the medically indigent and medically underserved populations.

According to the March 2013 *Health Affairs* study referenced above, nationwide utilization of hospice services has increased rapidly over the last twenty (20) years, indicating that health care providers and patients are becoming increasingly aware of the benefits of hospice care and, as this trend continues, the need for hospice services will become even more pronounced.

The study found that *"Medicare costs for patients enrolled in hospice were significantly lower than those of nonhospice enrollees across all period studies: 1-7 days, 8-14 days, and 15-30 days, the most common enrollment period prior to death, as well as 53-105 days, the period previously shown to maximize Medicare savings."*<sup>3</sup>

The study concluded that its findings, *"albeit limited to enrollment up to 105 days, are of particular importance because they suggest that investment in the Medicare hospice benefit translates into savings overall for the Medicare system. For example, if 1,000 additional beneficiaries enrolled in hospice for 15-30 days prior to death, Medicare could save more than \$6.4 million, while those beneficiaries would be spared 4,100 hospital days. Alternatively, if 1,000 additional beneficiaries enrolled in hospice for 53-105 days before death, the overall savings to Medicare would exceed \$2.5 million."*<sup>4</sup>

Thus, the applicant's specialized treatment programs for perinatal and pediatric hospice care, and palliative care services satisfy a currently unmet need for these services in Lincoln County. The applicant regularly receives requests for general hospice services for patients in Lincoln County. Its existing service area surrounds Lincoln County and it makes sense from an operational standpoint that Lincoln County be added to its service area. The service area map included as Attachment C-Need-3 illustrates this need. The applicant also has a charity care policy through which it provides quality services to a substantial number of indigent patients who may not otherwise have access to quality hospice services. And, the hospice services provided by the applicant will assist hospitals treating patients from Lincoln County to increase their reimbursement by reducing length of stay and readmissions, and will provide comfort and convenience to hospice patients who will be able to receive services at home rather than in a hospital setting.

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<sup>3</sup> *Id.*

<sup>4</sup> *Id.*

For all of these reasons, the applicant is requesting approval of its application to establish hospice services in Lincoln County.

- b. Applications that include a Change of Site for a health care institution, provide a response to General Criterion and Standards (4)(a-c).

**Response:** Not applicable.

2. Describe the relationship of this project to the applicant facility's long-range development plans, if any.

**Response:** This project is necessary for Hospice Compassus' long-range development plans because Lincoln County represents a significant gap in Hospice Compassus' service area. The applicant provides general and specialized hospice services to all of the surrounding Tennessee counties, but not to Lincoln County. Hospice Compassus desires to provide quality hospice services to all patients in its service area and providers service residents of Lincoln County have requested those services from Hospice Compassus, but Hospice Compassus has been unable to provide them. Thus, Hospice Compassus seeks approval to expand its service area to Lincoln County in order to meet the hospice needs of Lincoln County's residents. Without the requested license, the residents of Lincoln County will not have access to the general and specialized hospice services that Hospice Compassus provides.

3. Identify the proposed service area and justify the reasonableness of that proposed area. Submit a county level map including the State of Tennessee clearly marked to reflect the service area. **Please submit the map on 8 1/2" x 11" sheet of white paper marked only with ink detectable by a standard photocopier (i.e., no highlighters, pencils, etc.).**

**Response:** Please see a map of the existing and proposed service area included as Attachment C-Need-3. It is reasonable for the applicant to seek to expand its service area to include Lincoln County because it provides services in each of the counties surrounding Lincoln County - Bedford, Cannon, Coffee, Franklin, Giles, Grundy, Hickman, Lawrence, Lewis, Marshall, Maury, and Moore counties. It regularly receives requests for hospice services for residents of Lincoln County that it is unable to satisfy. Hospice Compassus desires to expand its service area to include Lincoln County so that it may provide quality hospice services to those residents in need of both the general and specialized hospice services that the applicant provides.

4. A. Describe the demographics of the population to be served by this proposal.

**Response:** The following chart sets forth the current population in Tennessee and in Lincoln County specifically, and the projected population of Tennessee and Lincoln County in 2017.

### POPULATION PROJECTIONS

Lincoln County			
Age	2013	2017	% Increase
0 to 19	8,789	9,094	3.3%
20 to 44	10,153	11,180	9.2%
45 to 64	9,502	9,425	(0.8%)
65 to 74	3,230	3,585	9.9%
75 plus	2,635	2,819	6.5%
Total All Ages:	34,309	35,103	2.3%
Tennessee State			
Age	2013	2017	% Increase
0 to 19	1,674,844	1,718,413	2.5%
20 to 44	2,118,830	2,147,227	1.3%
45 to 64	1,716,036	1,742,135	1.5%
65 to 74	521,571	599,325	13.0%
75 plus	383,016	416,014	7.9%
Total All Ages:	6,414,297	6,623,114	3.2%

Source: Tennessee Department of Health, Office of Policy, Planning and Assessment, Division of Health Statistics

The population of both Lincoln County and the state of Tennessee are growing and that growth is projected to continue. As the population continues to increase, the need for hospice services will increase as well.

The majority of hospice patients are over the age of 65. The 65+ population in Lincoln County currently makes up 17.09% of the total population and is projected to continue growing, going up to 18.24% of the total population in 2017. This is significantly higher than the percentage of the population 65+ in the state of Tennessee as whole, which is currently 14.10% and expected to increase to 15.33% by 2017. The fact that Lincoln County residents who are 65+ make up a significant portion of the County's population and that percentage continues to grow further illustrates the need for both general and specialized hospice services in Lincoln County.

## PROJECTED POPULATION 65+

	2013 Population 65+	2013 Total Population	% of Total Population 65+	2017 Population 65+	2017 Total Population	% of Total Population 65+
Lincoln County	5,865	34,309	17.09%	6,404	35,103	18.24%
Tennessee State	904,587	6,414,297	14.10%	1,015,339	6,623,114	15.33%

Source: Tennessee Department of Health, Office of Policy, Planning and Assessment, Division of Health Statistics

Additional information on the demographics of Lincoln County is taken from the U.S. Census Bureau and is included as Attachment C-Need-4. The median household income is \$41,454 and 16.1% of Lincoln County residents live below the poverty level. The median home value is \$112,300, compared to a median home value of \$137,200 for the State as a whole.

- B. Describe the special needs of the service area population, including health disparities, the accessibility to consumers, particularly the elderly, women, racial and ethnic minorities, and low-income groups. Document how the business plans of the facility will take into consideration the special needs of the service area population.

**Response:** The persons served by the applicant will primarily be elderly. The vast majority of the applicant's patients are Medicare beneficiaries. However, all patients, including women, racial and ethnic minorities, and low-income groups, will be served by the applicant without regard to their ability to pay.

5. Describe the existing or certified services, including approved but unimplemented CONs, of similar institutions in the service area. Include utilization and/or occupancy trends for each of the most recent three years of data available for this type of project. Be certain to list each institution and its utilization and/or occupancy individually. Inpatient bed projects must include the following data: admissions or discharges, patient days, and occupancy. Other projects should use the most appropriate measures, e.g., cases, procedures, visits, admissions, etc.

**Response:** There are currently three licensed hospice providers in Lincoln County: Avalon Hospice, Caris Healthcare and Lincoln Medical Home Health and Hospice. Lincoln Medical Home Health and Hospice is owned by the local hospital and serves primarily residents of Lincoln County.

The utilization trends for each of these facilities for the previous three (3) years are illustrated in the following table:

# HOSPICE PATIENTS IN LINCOLN COUNTY 2012-2012

Provider	2010					2011					2012				
	Age (in years)					Age (in years)					Age (in years)				
	0-17	18-64	65-74	75+	Total	0-17	18-64	65-74	75+	Total	0-17	18-64	65-74	75+	Total
Avalon Hospice*	0	0	3	6	9	0	7	9	30	46	-	-	-	-	-
Caris Healthcare	0	7	5	11	23	1	4	2	3	10	0	4	2	6	12
Lincoln Medical Home Health and Hospice	0	13	21	27	61	0	10	21	29	60	0	14	23	33	70

Source: Tennessee Department of Health, Health Statistics, Joint Annual Reports of Hospice for each applicable facility and year. (2010-2012)

\*2012 data unavailable at the time this application was prepared.

None of these facilities provides the perinatal or palliative care hospice services that Hospice Compassus currently provides, nor do any of these facilities provide pediatric hospice services.

The applicant does not anticipate that its expansion of hospice services to Lincoln County would have any impact on these existing hospice service providers. The applicant believes, based on its analysis of the population, age, and other demographics of residents of Lincoln County, that not all residents who need hospice care are currently receiving it. The applicant plans to market its services and educate the community and local health care providers regarding the benefits of hospice care, and believes that doing so will result in increased utilization of hospice services among those residents who are not currently receiving such services. The applicant is not seeking to decrease the utilization of other hospice service providers in Lincoln County. Rather the applicant is seeking to increase the overall utilization of hospice services in Lincoln County through increasing the availability of such services, including specialized hospice services that are not currently available. As stated earlier in the application, the applicant believes there is a need for hospice for at least 186 patients. Therefore, its estimate of 25-30 patients should have no impact on existing providers.

6. Provide applicable utilization and/or occupancy statistics for your institution for each of the past three (3) years and the projected annual utilization for each of the two (2) years following completion of the project. Additionally, provide the details regarding the methodology used to project utilization. The methodology must include detailed calculations or documentation from referral sources, and identification of all assumptions.

**Response:** The applicant's utilization statistics for the past three (3) years are illustrated in the following table:

**HOSPICE PATIENTS  
HOSPICE COMPASSUS  
2010-2012**

Provider	2010					2011					2012				
	Age (in years)					Age (in years)					Age (in years)				
	0-17	18-64	65-74	75+	Total	0-17	18-64	65-74	75+	Total	0-17	18-64	65-74	75+	Total
Hospice Compassus	6	135	126	372	639	9	159	138	451	757	3	178	153	441	775

Source: Tennessee Department of Health, Health Statistics, Joint Annual Reports of Hospice (2010-2012)

The applicant projects that in year one of providing hospice services in Lincoln County, it will treat 25 patients with an average daily census (ADC) of 2.5 patients. In year two of operation, the applicant projects that it will treat 30 patients with an ADC of 3.0 patients. This projection utilizes an average length of stay of 36 days based on an analysis of Lincoln County and the applicant's current experience in the surrounding counties.

## **ECONOMIC FEASIBILITY**

1. Provide the cost of the project by completing the Project Costs Chart on the following page. Justify the cost of the project.
  - All projects should have a project cost of at least \$3,000 on Line F. (Minimum CON Filing Fee). CON filing fee should be calculated from Line D. (See Application Instructions for Filing Fee)
  - The cost of any lease should be based on fair market value or the total amount of the lease payments over the initial term of the lease, whichever is greater. Note; This applies to all equipment leases including by procedure or "per click" arrangements. The methodology used to determine the total lease cost for a "per click" arrangement must include, at a minimum, the projected procedures, at the "per click" rate and the term of the lease.
  - The cost for fixed and moveable equipment includes, but is not necessarily limited to, maintenance agreements covering the expected useful life of the equipment; federal, state, and local taxes and other government assessments; and installation charges, excluding capital expenditures for physical plant renovation or in-wall shielding, which should be included under construction costs or incorporated in a facility lease.
  - For projects that include new construction, modification, and/or renovation; **documentation must be** provided from a contractor and/or architect that support the estimated construction costs.

**Response:** Please see the project costs chart on the following page.

# PROJECT COSTS CHART

2013 MAR 15 PM 4 23

## A. Construction and equipment acquired by purchase:

1. Architectural and Engineering Fees \_\_\_\_\_
2. Legal, Administrative (Excluding CON Filing Fee),  
Consultant Fees \$25,000
3. Acquisition of Site \_\_\_\_\_
4. Preparation of Site \_\_\_\_\_
5. Construction Costs \_\_\_\_\_
6. Contingency Fund \_\_\_\_\_
7. Fixed Equipment (Not included in Construction Contract) \_\_\_\_\_
8. Moveable Equipment (List all equipment over \$50,000) \_\_\_\_\_
9. Other (Specify) \_\_\_\_\_

## B. Acquisition by gift, donation, or lease:

1. Facility (inclusive of building and land) \_\_\_\_\_
2. Building only \_\_\_\_\_
3. Land only \_\_\_\_\_
4. Equipment (Specify) \_\_\_\_\_
5. Other (Specify) \_\_\_\_\_

## C. Financing Costs and Fees:

1. Interim Financing \_\_\_\_\_
2. Underwriting Costs \_\_\_\_\_
3. Reserve for One Year's Debt Service \_\_\_\_\_
4. Other (Specify) \_\_\_\_\_

D. Estimated Project Cost (A+B+C) \_\_\_\_\_

E. CON Filing Fee \$3,000

F. Total Estimated Project Cost (D+E) **TOTAL** \$28,000

2. Identify the funding sources for this project.

a. Please check the applicable item(s) below and briefly summarize how the project will be financed. (Documentation for the type of funding MUST be inserted at the end of the application, in the correct alpha/numeric order and identified as Attachment C, Economic Feasibility-2.)

- ☐ A. Commercial loan--Letter from lending institution or guarantor stating favorable initial contact, proposed loan amount, expected interest rates, anticipated term of the loan, and any restrictions or conditions;
- ☐ B. Tax-exempt bonds--Copy of preliminary resolution or a letter from the issuing authority stating favorable initial contact and a conditional agreement from an underwriter or investment banker to proceed with the issuance;
- ☐ C. General obligation bonds--Copy of resolution from issuing authority or minutes from the appropriate meeting.
- ☐ D. Grants--Notification of intent form for grant application or notice of grant award; or
- ☒ E. Cash Reserves--Appropriate documentation from Chief Financial Officer.
- ☐ F. Other--Identify and document funding from all other sources.

3. Discuss and document the reasonableness of the proposed project costs. If applicable, compare the cost per square foot of construction to similar projects recently approved by the Health Services and Development Agency.

**Response:** The costs for this project are minimal and are related to legal fees and the filing fee for the CON application. Hospice Compassus does not anticipate any additional costs related to this project.

4. Complete Historical and Projected Data Charts on the following two pages--**Do not modify the Charts provided or submit Chart substitutions!** Historical Data Chart represents revenue and expense information for the last three (3) years for which complete data is available for the institution. Projected Data Chart requests information for the two (2) years following the completion of this proposal. Projected Data Chart should reflect revenue and expense projections for the ***Proposal Only*** (i.e., if the application is for additional beds, include anticipated revenue from the proposed beds only, not from all beds in the facility).

**Response:** Please see Historical and Projected Data Charts.

5. Please identify the project's average gross charge, average deduction from operating revenue, and average net charge.

**Response:** The applicant's average gross charge is \$4,867.60 in Year One and \$4,966.90 in Year Two. The average deduction from operating revenue is \$125.16 in Year One and \$125.17 in Year Two for an average net charge of \$4,742.44 in Year One and \$4841.73 in Year Two.



## HISTORICAL DATA CHART

Give information for the last three (3) years for which complete data are available for the facility or agency.  
The fiscal year begins in January.

2013 MAR 15 PM 4 23  
Year 2012

	Year 2012	Year 2011	Year 2010
A. Utilization Data (Specify unit of measure)	<u>51,901</u>	<u>44,984</u>	<u>32,512</u>
B. Revenue from Services to Patients			
1. Inpatient Services	<u>\$344,486</u>	<u>\$327,956</u>	<u>\$212,918</u>
2. Outpatient Services	<u>\$6,816,227</u>	<u>\$5,714,597</u>	<u>\$4,026,280</u>
3. Emergency Services	<u>0</u>	<u>0</u>	<u>0</u>
4. Other Operating Revenue	<u>0</u>	<u>0</u>	<u>0</u>
(Specify) _____			
<b>Gross Operating Revenue</b>	<u>\$7,160,713</u>	<u>\$6,042,553</u>	<u>\$4,239,198</u>
C. Deductions for Operating Revenue			
1. Contractual Adjustments	<u>\$21,154</u>	<u>\$12,251</u>	<u>\$16,215</u>
2. Provision for Charity Care	<u>\$155,760</u>	<u>\$113,540</u>	<u>N/A<sup>5</sup></u>
3. Provisions for Bad Debt	<u>\$20,220</u>	<u>\$46,685</u>	<u>\$47,049</u>
<b>Total Deductions</b>	<u>\$197,134</u>	<u>\$172,476</u>	<u>\$63,264</u>
<b>NET OPERATING REVENUE</b>	<u>\$6,963,579</u>	<u>\$5,870,077</u>	<u>\$4,175,934</u>
D. Operating Expenses			
1. Salaries and Wages	<u>\$3,125,742</u>	<u>\$2,699,875</u>	<u>\$2,166,611</u>
2. Physician's Salaries and Wages	<u>\$123,515</u>	<u>\$114,464</u>	<u>\$110,444</u>
3. Supplies	<u>910,728</u>	<u>\$853,080</u>	<u>\$535,708</u>
4. Taxes	<u>0</u>	<u>0</u>	<u>0</u>
5. Depreciation	<u>\$27,920</u>	<u>\$23,815</u>	<u>\$20,789</u>
6. Rent	<u>\$120,572</u>	<u>\$113,122</u>	<u>\$112,056</u>
7. Interest, other than Capital	<u>\$90</u>	<u>(\$7.00)</u>	<u>\$1,943</u>
8. Other Expenses (Equipment lease & maintenance, communications, travel/training, advertising, mileage, misc.)	<u>\$1,053,837</u>	<u>\$897,650</u>	<u>\$689,639</u>
<b>Total Operating Expenses</b>	<u>\$5,362,404</u>	<u>\$4,701,999</u>	<u>\$3,637,190</u>
E. Other Revenue (Expenses) – Net (Specify)	<u>\$ _____</u>	<u>\$ _____</u>	<u>\$ _____</u>
<b>NET OPERATING INCOME (LOSS)</b>	<u>\$34,327</u>	<u>\$27,749</u>	<u>\$16,498</u>
F. Capital Expenditures			
1. Retirement of Principal	<u>_____</u>	<u>_____</u>	<u>_____</u>
2. Interest	<u>_____</u>	<u>_____</u>	<u>_____</u>
<b>Total Capital Expenditures</b>	<u>_____</u>	<u>_____</u>	<u>_____</u>
<b>NET OPERATING INCOME (LOSS)</b>			
<b>LESS CAPITAL EXPENDITURES</b>	<u>\$1,566,847</u>	<u>\$1,140,329</u>	<u>\$522,246</u>

<sup>5</sup> Data not broken out separately at this time.

### PROJECTED DATA CHART

Give information for the two (2) years following the completion of this proposal. The fiscal year begins in January.

	Year One	Year Two
	<u>25</u>	<u>30</u>
A. Utilization Data (Specify unit of measure)		
B. Revenue from Services to Patients		
1. Inpatient Services	\$2,483	\$2,980
2. Outpatient Services	\$121,690	\$146,027
3. Emergency Services	<u>0</u>	<u>0</u>
4. Other Operating Revenue (Specify) _____	<u>0</u>	<u>0</u>
<b>Gross Operating Revenue</b>	<b>\$124,173</b>	<b>\$149,007</b>
C. Deductions for Operating Revenue		
1. Contractual Adjustments	\$360	\$432
2. Provision for Charity Care	\$2,732	\$3,278
3. Provisions for Bad Debt	\$37	\$45
<b>Total Deductions</b>	<b>\$3,129</b>	<b>\$3,755</b>
<b>NET OPERATING REVENUE</b>	<b>\$121,044</b>	<b>\$145,252</b>
D. Operating Expenses		
1. Salaries and Wages	\$76,932	\$78,470
2. Physician's Salaries and Wages	\$6,000	\$6,000
3. Supplies	\$14,814	\$17,777
4. Taxes	<u>0</u>	<u>0</u>
5. Depreciation	<u>0</u>	<u>0</u>
6. Rent	<u>0</u>	<u>0</u>
7. Interest, other than Capital	<u>0</u>	<u>0</u>
8. Other Expenses (Specify): (Mileage, advertising, travel, training)	\$12,951	\$15,541
<b>Total Operating Expenses</b>	<b>\$110,697</b>	<b>\$117,788</b>
E. Other Revenue (Expenses) – Net (Specify)	<u>0</u>	<u>0</u>
<b>NET OPERATING INCOME (LOSS)</b>	<b>\$10,347</b>	<b>\$27,464</b>
F. Capital Expenditures		
1. Retirement of Principal	<u>0</u>	<u>0</u>
2. Interest	<u>0</u>	<u>0</u>
<b>Total Capital Expenditures</b>	<b><u>0</u></b>	<b><u>0</u></b>
<b>NET OPERATING INCOME (LOSS)</b>		
<b>LESS CAPITAL EXPENDITURES</b>	<b>\$10,347</b>	<b>\$27,464</b>

6. A. Please provide the current and proposed charge schedules for the proposal. Discuss any adjustment to current charges that will result from the implementation of the proposal. Additionally, describe the anticipated revenue from the proposed project and the impact on existing patient charges.

**Response:** The applicant reported the following as the Medicare per diem rate for hospice services on its 2012 Joint Annual Report of Hospice: Routine Hospice Care - \$132, Continuous Hospice Care - \$768, General Inpatient - \$593, Respite Inpatient - \$141.

The applicant's charges for hospice services are determined by the Centers for Medicare and Medicaid Services (CMS). Thus, the only changes to the amount charged for the applicant's services will be as a result of changes to such rates by CMS. The applicant does not establish a separate fee schedule per se. Rather, the applicant accepts the CMS reimbursement for its hospice services. Infrequently, the applicant provides services to self-pay patients. In those circumstances, the applicant charges the same rate as the Medicare reimbursement rate.

The applicant expects to generate \$10,347 in net revenue in its first year of operation in Lincoln County, and \$27,464 in net revenue in its second year. This project will not result in any impact on existing patient charges.

- B. Compare the proposed charges to those of similar facilities in the service area/adjoining service areas, or to proposed charges of projects recently approved by the Health Services and Development Agency. If applicable, compare the proposed charges of the project to the current Medicare allowable fee schedule by common procedure terminology (CPT) code(s).

**Response:** Lincoln Medical Home Health and Hospice reported on its 2012 Joint Annual Report of Hospice the following Medicare per diem rates that are substantially similar to those reported by the applicant: Routine Hospice Care - \$132, Continuous Hospice Care - \$770, General Inpatient - \$592, and Respite Inpatient - \$140.

Caris Healthcare, LP reported the following Medicare per diem rates on its 2012 Joint Annual Report of Hospice: Routine Hospice Care - \$149, Continuous Hospice Care - \$836, General Inpatient - \$639, and Respite Inpatient - \$150.

Avalon Hospice reported the following Medicare per diem rates on its 2012 Joint Annual Report of Hospice: Routine Hospice Care - \$149, Continuous Hospice Care - \$869, General Inpatient - \$663, and Respite Inpatient - \$154.

7. Discuss how projected utilization rates will be sufficient to maintain cost-effectiveness.

**Response:** The applicant is already operating in all of the counties surrounding Lincoln County, so its administration, infrastructure and staffing model is already in place and operational. There is a need for general and, particularly, specialized hospice services in Lincoln County and the applicant regularly receives referrals of patients who reside there that it is currently unable to accept. The projected utilization rates will be more than

sufficient to maintain cost-effectiveness because the cost associated with the applicant providing services in Lincoln County is minimal.

8. Discuss how financial viability will be ensured within two years; and demonstrate the availability of sufficient cash flow until financial viability is achieved.

**Response:** There is very minimal cost associated with the applicant's expansion to Lincoln County, so the proposed project will be financially viable almost immediately. The applicant has sufficient cash flow to fund any additional costs that may arise.

9. Discuss the project's participation in state and federal revenue programs including a description of the extent to which Medicare, TennCare/Medicaid, and medically indigent patients will be served by the project. In addition, report the estimated dollar amount of revenue and percentage of total project revenue anticipated from each of TennCare, Medicare, or other state and federal sources for the proposal's first year of operation.

**Response:** The applicant participates in the Medicare, TennCare, and TRICARE/CHAMPUS programs. As reported on the applicant's 2012 Joint Annual Report of Hospice, \$5,837,440 in revenue came from Medicare, \$21,740 from TRICARE/CHAMPUS, \$3,330 from private pay patients, and \$503,215 from other pay sources. The applicant reported \$172,625 in charity care on its 2012 Joint Annual Report. This equates to 91.7% revenue from Medicare, 0.3% from TRICARE/CHAMPUS, 0.1% from private pay patients, and 7.9% from other pay sources.

The applicant anticipates that these percentages will main relatively constant throughout its first year of operation in Lincoln County. Based on projected patient revenue of \$124,173 in year one of its operation in Lincoln County, the applicant anticipates revenue from the Medicare program totaling \$113,867, revenue from TRICARE/CHAMPUS totaling \$372, revenue from private pay patients totaling \$124, and revenue from other pay sources totaling \$9,810.

10. Provide copies of the balance sheet and income statement from the most recent reporting period of the institution and the most recent audited financial statements with accompanying notes, if applicable. For new projects, provide financial information for the corporation, partnership, or principal parties involved with the project. Copies must be inserted at the end of the application, in the correct alpha-numeric order and labeled as Attachment C, Economic Feasibility-10.

**Response:** See Attachment C, Economic Feasibility-10.

11. Describe all alternatives to this project which were considered and discuss the advantages and disadvantages of each alternative including but not limited to:

- a. A discussion regarding the availability of less costly, more effective, and/or more efficient alternative methods of providing the benefits intended by the proposal. If development of such alternatives is not practicable, the applicant should justify why not; including reasons as to why they were rejected.

**Response:** There are no less costly, more effective, and/or more efficient alternative methods of providing the benefits to the residents of Lincoln County intended by this proposed project. The applicant currently provides quality hospice services to all of the Tennessee counties surrounding Lincoln County. In addition,

the applicant provides specialized perinatal and pediatric hospice services, and palliative care services that the residents of Lincoln County currently do not have access to. The benefit of the applicant's expansion to Lincoln County is tremendous for the residents of that county, and the cost involved in making that expansion is minimal. The applicant's administrative infrastructure and staffing model is already in place and operational, and this project will be financially viable almost immediately.

- b. The applicant should document that consideration has been given to alternatives to new construction, e.g., modernization or sharing arrangements. It should be documented that superior alternatives have been implemented to the maximum extent practicable.

**Response:** Not applicable.

### (III.) CONTRIBUTION TO THE ORDERLY DEVELOPMENT OF HEALTH CARE

1. List all existing health care providers (e.g., hospitals, nursing homes, home care organizations, etc.), managed care organizations, alliances, and/or networks with which the applicant currently has or plans to have contractual and/or working relationships, e.g., transfer agreements, contractual agreements for health services.

**Response:** The applicant currently has or plans to have contractual and/or working relationships with the following providers: Lincoln Medical Center, Lincoln Medical Center Home Health, Elk Valley Home Health, Lincoln Donelson Care Center, Fayetteville Care and Rehabilitation Center, United Healthcare HMO, Amerigroup HMO, BlueCross BlueShield, United Healthcare, Aetna, Cigna, Healthspring HMO, and Huntsville Hospital.

2. Describe the positive and/or negative effects of the proposal on the health care system. Please be sure to discuss any instances of duplication or competition arising from your proposal including a description of the effect the proposal will have on the utilization rates of existing providers in the service area of the project.

**Response:** Approval of this project will result in a significant positive effect on the health care system with no negative effects on current providers. Expansion of its service area to include Lincoln County will allow Hospice Compassus to respond to the needs of residents of Lincoln County. There will be no duplication of services because no other licensed hospice provider provides the perinatal and pediatric hospice services that Hospice Compassus provides, nor does any other hospice provider offer palliative care services.

3. Provide the current and/or anticipated staffing pattern for all employees providing patient care for the project. This can be reported using FTEs for these positions. Additionally, please compare the clinical staff salaries in the proposal to prevailing wage patterns in the service area as published by the Tennessee Department of Labor & Workforce Development and/or other documented sources.

**Response:** The applicant proposes to provide the following staff at the outset of its provision of services to Lincoln County, and will increase its nursing staff as the number of patients served increases. The applicant's current staffing model calls for fourteen (14) patients per one (1) registered nurse (RN). The applicant projects that it will receive twenty-five (25) referrals for hospice care in Lincoln County in its first year of operation

there, resulting in an average daily census of 2.5 patients. Pursuant to the applicant's staffing model, this results in a need for 0.50 FTE to treat those patients. Two (2) full-time RN employees of the applicant currently reside in Lincoln County, so the applicant will easily be able to accommodate the needs of its patients in Lincoln County. The applicant is also planning on staffing 0.25 FTE home health aides and 0.10 FTE social workers to provide services to Lincoln County residents during the first two (2) years of its operation there. As with RNs, the applicant can absorb this need using its current staff, and will add additional staff as the utilization of hospice services in Lincoln County increases.

The applicant's RNs are compensated at the rate of \$26 per hour, and its home health aides are compensated at the rate of \$12 per hour. According to the Tennessee Department of Labor and Workforce Development, 2012 South Central Tennessee Balance of State Occupational Wages, May 2012, registered nurses are compensated at the rate of \$27.77 per hour and home health aides are compensated at the rate of \$9.04 per hour. Based on this data, the salaries paid by the applicant are competitive with the salaries paid by other employers in the South Central Tennessee area, which includes Bedford, Coffee, Franklin, Giles, Grundy, Lawrence, Lewis, Lincoln, Marshall, Maury, Moore, Perry and Wayne counties.

4. Discuss the availability of and accessibility to human resources required by the proposal, including adequate professional staff, as per the Department of Health, the Department of Mental Health and Developmental Disabilities, and/or the Division of Mental Retardation Services licensing requirements.

**Response:** The applicant does not anticipate encountering any difficulty ensuring that it has adequate staff to meet the needs of its patients. Hospice Compassus currently has sufficient staff to respond to the needs of Lincoln County residents requesting hospice services. In fact, two (2) full-time Hospice Compassus registered nurse case managers currently live in Lincoln County. As Hospice Compassus' range of available services and patient volume increases, it will add additional staff as necessary to ensure that adequate staff are consistently available.

5. Verify that the applicant has reviewed and understands all licensing certification as required by the State of Tennessee for medical/clinical staff. These include, without limitation, regulations concerning physician supervision, credentialing, admission privileges, quality assurance policies and programs, utilization review *policies and programs, record keeping, and staff education.*

**Response:** The Applicant has reviewed and understands all hospice licensing requirements for the Tennessee Department of Health and intends to comply with the same.

6. Discuss your health care institution's participation in the training of students in the areas of medicine, nursing, social work, etc. (e.g., internships, residencies, etc.).

**Response:** Hospice Compassus participates in the nurse training program operated by Motlow State Community College. As part of the nursing program's community education course requirement, nursing students participate in a one (1) day clinical ride along with a Hospice Compassus nurse.

7. (a) Please verify, as applicable, that the applicant has reviewed and understands the licensure requirements of the Department of Health, the Department of Mental Health and Developmental Disabilities, the Division of Mental Retardation Services, and/or any applicable Medicare requirements.

**Response:** The applicant has reviewed and understands the licensure requirements of the Department of Health and any applicable Medicare requirements.

- (b) Provide the name of the entity from which the applicant has received or will receive licensure, certification, and/or accreditation.

Licensure:

**Response:** Tennessee Department of Health, Board for Licensing Health Care Facilities.

Accreditation:

**Response:** Not applicable.

- (c) If an existing institution, please describe the current standing with any licensing, certifying, or accrediting agency. Provide a copy of the current license of the facility.

**Response:** The applicant's license from the Tennessee Department of Health and its Clinical Laboratory Improvement Amendments license are included as Attachment C, Contribution to the Orderly Development of Health Care - 7(c).

- (d) For existing licensed providers, document that all deficiencies (if any) cited in the last licensure certification and inspection have been addressed through an approved plan of correction. Please include a copy of the most recent licensure/certification inspection with an approved plan of correction.

**Response:** Hospice Compassus' most recent licensure/certification inspection, dated April 2010, is included as Attachment C, Contribution to the Orderly Development of Health Care-7(d). Hospice Compassus did not have any deficiencies, so no plan of correction was required.

8. Document and explain any final orders or judgments entered in any state or country by a licensing agency or court against professional licenses held by the applicant or any entities or persons with more than a 5% ownership interest in the applicant. Such information is to be provided for licenses regardless of whether such license is currently held.

**Response:** Not applicable.

9. Identify and explain any final civil or criminal judgments for fraud or theft against any person or entity with more than a 5% ownership interest in the project

**Response:** Not applicable.

10. If the proposal is approved, please discuss whether the applicant will provide the Tennessee Health Services and Development Agency and/or the reviewing agency information concerning the number of patients treated, the number and type of procedures performed, and other data as required.

**Response:** If this project is approved, the applicant will provide the Tennessee Health Services and Development Agency and/or the reviewing agency information concerning the number of patients treated, the number and type of procedures performed, and such other data as required.



## PROOF OF PUBLICATION

Attach the full page of the newspaper in which the notice of intent appeared with the mast and dateline intact or submit a publication affidavit from the newspaper as proof of the publication of the letter of intent.

**Response:** Please see attached affidavit of publication showing that publication occurred in the Chattanooga Times Free Press on March 10, 2013.

## DEVELOPMENT SCHEDULE

Tennessee Code Annotated § 68-11-1609(c) provides that a Certificate of Need is valid for a period not to exceed three (3) years (for hospital projects) or two (2) years (for all other projects) from the date of its issuance and after such time shall expire; provided, that the Agency may, in granting the Certificate of Need, allow longer periods of validity for Certificates of Need for good cause shown. Subsequent to granting the Certificate of Need, the Agency may extend a Certificate of Need for a period upon application and good cause shown, accompanied by a non-refundable reasonable filing fee, as prescribed by rule. A Certificate of Need which has been extended shall expire at the end of the extended time period. The decision whether to grant such an extension is within the sole discretion of the Agency, and is not subject to review, reconsideration, or appeal.

1. Please complete the Project Completion Forecast Chart on the next page. If the project will be completed in multiple phases, please identify the anticipated completion date for each phase.
2. If the response to the preceding question *indicates that the applicant does not anticipate completing the project within the period of validity as defined in the preceding paragraph*, please state below any request for an extended schedule and document the "good cause" for such an extension.

**Response:** The applicant does not anticipate requesting an extension of time at this time.

Form HF0004  
Revised 05/03/04  
Previous Forms are obsolete

## PROJECT COMPLETION FORECAST CHART

2013 MAR 15 PM 4 23

Enter the Agency projected Initial Decision date, as published in Rule 68-11-1609(c): June 26, 2013

Assuming the CON approval becomes the final agency action on that date; indicate the number of days **from the above agency decision date** to each phase of the completion forecast.

<u>Phase</u>	<u>DAYS REQUIRED</u>	<u>Anticipated Date (MONTH/YEAR)</u>
1. Architectural and engineering contract signed	<u>N/A</u>	<u>N/A</u>
2. Department of Health	<u>N/A</u>	<u>N/A</u>
3. Construction contract signed	<u>N/A</u>	<u>N/A</u>
4. Building permit secured	<u>N/A</u>	<u>N/A</u>
5. Site preparation completed	<u>N/A</u>	<u>N/A</u>
6. Building construction commenced	<u>N/A</u>	<u>N/A</u>
7. Construction 40% complete	<u>N/A</u>	<u>N/A</u>
8. Construction 80% complete	<u>N/A</u>	<u>N/A</u>
9. Construction 100% complete (approved for occupancy)	<u>N/A</u>	<u>N/A</u>
10. *Issuance of license	<u>30</u>	<u>Aug. 1, 2013</u>
11. *Initiation of service	<u>30</u>	<u>Aug. 1, 2013</u>
12. Final Architectural Certification of Payment	<u>N/A</u>	<u>N/A</u>
<hr/>		
13. Final Project Report Form (HF0055)	<u>60</u>	<u>Sept. 1, 2013</u>

\* For projects that do NOT involve construction or renovation: Please complete items 10 and 11 only.

**Note:** If litigation occurs, the completion forecast will be adjusted at the time of the final determination to reflect the actual issue date.

AFFIDAVIT  
2013 MAR 15 PM 4 23

STATE OF TENNESSEE

COUNTY OF DAVIDSON

Kim H. Looney, being first duly sworn, says that he/she is the applicant named in this application or his/her/its lawful agent, that this project will be completed in accordance with the application, that the applicant has read the directions to this application, the Rules of the Health Services and Development Agency, and T.C.A. § 68-11-1601, et seq., and that the responses to this application or any other questions deemed appropriate by the Health Services and Development Agency are true and complete.

  
SIGNATURE/TITLE

Sworn to and subscribed before me this 15th day of March, 2013, a Notary  
Public in and for the County/State of Tennessee.

  
NOTARY PUBLIC

My commission expires, January 6, 2015.



My Commission Expires JAN. 6, 2015

**Attachment A-4**  
**Organizational Documents**



**STATE OF TENNESSEE**

2013 MAR 18 PM 11 32  
**Tre Hargett, Secretary of State**  
Division of Business Services

William R. Snodgrass Tower  
312 Rosa L. Parks AVE, 6th FL  
Nashville, TN 37243-1102

WALLER LANSDEN DORTCH & DAVIS LLP  
SUITE 2700  
511 UNION STREET  
NASHVILLE, TN 37219

**Request Type: Certified Copies**  
Request #: 91426

Issuance Date: 03/07/2013  
Copies Requested: 1

**Document Receipt**

Receipt #: 941578 Filing Fee: \$20.00  
Payment-Check/MO - WALLER LANSDEN DORTCH & DAVIS LLP, NASHVILLE, TN \$20.00

I, Tre Hargett, Secretary of State of the State of Tennessee, do hereby certify that **COMMUNITY HOSPICES OF AMERICA-TENNESSEE, LLC**, Control # 509567 was formed or qualified to do business in the State of Tennessee on 12/29/2005. COMMUNITY HOSPICES OF AMERICA-TENNESSEE, LLC has a home jurisdiction of DELAWARE and is currently in an Active status.

  
Tre Hargett  
Secretary of State

Processed By: Nichole Hambrick

The attached document(s) was/were filed in this office on the date(s) indicated below:

<b>Reference #</b>	<b>Date Filed</b>	<b>Filing Description</b>
5633-0604	12/29/2005	Initial Filing
ROLL 6065	06/21/2007	Notice of Determination
6077-2693	06/27/2007	2006 Annual Report (Due 04/01/2007)
6284-2263	04/02/2008	2007 Annual Report (Due 04/01/2008)
6455-0766	02/23/2009	2008 Annual Report (Due 04/01/2009)
6471-0146	03/11/2009	Assumed Name
A0014-0954	03/30/2010	2009 Annual Report (Due 04/01/2010)
6868-2656	04/01/2011	2010 Annual Report (Due 04/01/2011)
7030-3013	04/04/2012	2011 Annual Report (Due 04/01/2012)

State of Tennessee



Department of State  
Corporate Filings  
312 Eighth Avenue North  
6th Floor, William R. Snodgrass Tower  
Nashville, TN 37243

APPLICATION FOR  
CERTIFICATE OF AUTHORITY  
(Limited Liability Company)

RECEIVED  
STATE OF TENNESSEE  
For Office Use Only

2005 DEC 29 PM 12:31

RILEY CARRELL  
SECRETARY OF STATE

To the Secretary of State of the State of Tennessee:

Pursuant to the provisions of § 48-246-301 of the Tennessee Limited Liability Company Act, the undersigned hereby applies for a certificate of authority to transact business in the State of Tennessee, and for that purpose sets forth:

1. The name of the Limited Liability Company is: Community Hospices of America-Tennessee, LLC

If different, the name under which the certificate of authority is to be obtained is: \_\_\_\_\_

**NOTE:** The Secretary of State of the State of Tennessee may not issue a certificate of authority to a foreign Limited Liability Company if its name does not comply with the requirements of § 48-207-101 of the Tennessee Limited Liability Company Act. If obtaining a certificate of authority under an assumed Limited Liability Company name, an application must be filed pursuant to § 48-207-101(d).

2. The state or country under whose law it is formed is: Delaware

3. The date of its organization is: December 19, 2005 (must be month, day and year)

4. The complete street address (including zip code) of its principal office is:

3500 Blue Lake Drive, Suite 201, Birmingham, AL, 35243  
Street City/State Zip Code

5. The complete street address (including the county and the zip code) of its registered office in Tennessee:

110 E. Lauderdale Street, Tullahoma, TN 37388  
Street City/State County Zip Code

The name of its registered agent at that office is: John W. Cline

6. The number of members at the date of filing One

7. If the limited liability company commenced doing business in Tennessee prior to the approval of this application, the date of commencement (month, day and year) n/a.

**NOTE:** This application must be accompanied by a certificate of existence (or a document of similar import) duly authenticated by the Secretary of State or other official having custody of the Limited Liability Company records in the state or country under whose law it is organized. The certificate shall not bear a date of more than two (2) months prior to the date the application is filed in this state.

12/28/05  
Signature Date  
President  
Signer's Capacity

Community Hospices of America-Tennessee, LLC  
Name of Limited Liability Company  
[Signature]  
Signature  
John W. Cline  
Name (typed or printed)

5633.0604

# Delaware

PAGE 1

*The First State*

I, HARRIET SMITH WINDSOR, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY "COMMUNITY HOSPICES OF AMERICA-TENNESSEE, LLC" IS DULY FORMED UNDER THE LAWS OF THE STATE OF DELAWARE AND IS IN GOOD STANDING AND HAS A LEGAL EXISTENCE SO FAR AS THE RECORDS OF THIS OFFICE SHOW, AS OF THE TWENTY-FIRST DAY OF DECEMBER, A.D. 2005.

5633.0605

4080264 8300

051045794



*Harriet Smith Windsor*

Harriet Smith Windsor, Secretary of State

AUTHENTICATION: 4394380

DATE: 12-21-05

SECRETARY OF STATE  
CORPORATIONS SECTION  
WILLIAM R. SNODGRASS TOWER  
312 EIGHTH AVENUE NORTH - SIXTH FLOOR  
NASHVILLE, TENNESSEE 37243-0306

ISSUANCE DATE: 06/21/07  
CONTROL NUMBER: 0509567

JOHN W. CLINE  
110 E. LAUDERDALE ST  
TULLAHOMA, TN 37388

6065.2293

RE: COMMUNITY HOSPICES OF AMERICA-TENNESSEE, LLC

NOTICE OF DETERMINATION

Pursuant to the provisions of Sections 48-245-301 or 48-246-501 of the Tennessee Limited Liability Company Act or Sections 48-249-604 or 48-249-908 of the Tennessee Revised Limited Liability Company Act, it has been determined that the following ground(s) exist(s) for the administrative dissolution of the above limited liability company, if a Tennessee limited liability company, or revocation of its certificate of authority, if a foreign limited liability company:

The Limited Liability Company Annual Report which was due on or before 04/01/07 has not been filed. To obtain an annual report form or for additional information, please call this office at (615) 741-2286.

If the limited liability company does not correct each ground for dissolution/revocation or provide evidence that each ground does not exist within two (2) months after issuance date of this notice, the limited liability company shall be administratively dissolved/revoked, as appropriate. For assistance in this regard, please contact this office at the appropriate telephone number listed above.



6077.2693

RECEIVED  
STATE OF TENNESSEE

## LIMITED LIABILITY COMPANY ANNUAL REPORT

Annual Report Filing Fee Due:  
\$50 per member, with a minimum fee of \$300 and a maximum fee of \$3000.  
There is an additional fee of \$20 if any changes are made in block #6 to the  
registered agent/office.

Please return completed form to:  
TENNESSEE SECRETARY OF STATE  
Attn: Annual Report  
312 Eighth Avenue N. 6th Floor  
William R. Snodgrass Tower  
Nashville, TN 37243

CURRENT FISCAL YEAR CLOSING MONTH:

12

THIS REPORT IS DUE ON OR BEFORE:

04/01/07

(1) SECRETARY OF STATE CONTROL Number:

0509567

(2A.) NAME AND MAILING ADDRESS OF COMPANY

COMMUNITY HOSPICES OF  
AMERICA-TENNESSEE, LLC  
3500 BLUE LAKE DRIVE  
SUITE 201  
BIRMINGHAM, AL 35243

(2B.) STATE OR COUNTRY OF FORMATION

DELAWARE

(2C.) ADD OR CHANGE MAILING ADDRESS:

RECEIVED  
SECRETARY OF STATE

2007 JUN 27 PM 1:53

F 12/29/2005 FOR PROFIT

(3) A. PRINCIPAL ADDRESS INCLUDING CITY, STATE, ZIP CODE:

3500 BLUE LAKE DRIVE, SUITE 201, BIRMINGHAM, AL 35243

B. CHANGE OF PRINCIPAL ADDRESS:

STREET

CITY

STATE

ZIP CODE + 4

(4) This LLC is ☐ BOARD MANAGED ☐ DIRECTOR MANAGED ☐ MANAGER MANAGED ☒ MEMBER MANAGED (check one box)  
If board, director, or manager managed, provide the names and business addresses, including zip codes, of the governors, directors, or managers (or their equivalent),  
respectively. Attach an additional sheet if necessary.

NAME	BUSINESS ADDRESS	CITY, STATE, ZIP CODE + 4
Community Hospices of America, Inc.	3500 Blue Lake Dr, Ste 201	Birmingham, AL 35243

(5) Provide the names and business addresses, including zip codes, of the LLC managers (if governed by the LLC Act), or any officers (if governed by the Revised LLC Act),  
(or their equivalent), respectively. Attach an additional sheet if necessary.

NAME	BUSINESS ADDRESS	CITY, STATE, ZIP CODE + 4

(6) A. NAME OF REGISTERED AGENT AS APPEARS ON SECRETARY OF STATE RECORDS:

JOHN W. CLINE

B. REGISTERED ADDRESS AS APPEARS ON SECRETARY OF STATE RECORDS:

110 E. LAUDERDALE ST, TULLAHOMA, TN 37388

C. INDICATE BELOW ANY CHANGES TO THE REGISTERED AGENT NAME AND/OR REGISTERED OFFICE.

(I.) CHANGE OF REGISTERED AGENT: CT Corporation System  
(II.) CHANGE OF REGISTERED OFFICE (Street Address): 800 S. Gray Street, Suite 2001  
(City) Knoxville (State) TN (Zip Code + 4) TN 37929 (County) Knox

(7) Number of members on the date the annual report is executed if there are more than six (6) members: \_\_\_\_\_

☐ This LLC is prohibited from engaging in business in Tennessee (check box if applicable).

(8) SIGNATURE



(9) DATE

6-26-07

(10) TYPE/PRINT NAME OF SIGNER

David Andrews

(11) TITLE OF SIGNER

Sec. of sole member

\*\* THIS REPORT MUST BE DATED AND SIGNED \*\*



93-4283 (Rev. 01-06)

INSTRUCTIONS: www.state.tn.us/sos/ or 615-741-2288

RDA 1874

# LIMITED LIABILITY COMPANY ANNUAL REPORT

Annual Report Filing Fee Due:  
\$50 per member, with a minimum fee of \$300 and a maximum fee of \$3000.  
There is an additional fee of \$20 if any changes are made in block #6 to the  
registered agent/office.

Please return completed form to:  
TENNESSEE SECRETARY OF STATE  
Attn: Annual Report  
312 Eighth Avenue N. 6th Floor  
William R. Snodgrass Tower  
Nashville, TN 37243

CURRENT FISCAL YEAR CLOSING MONTH: 12

THIS REPORT IS DUE ON OR BEFORE: 04/01/08

(1) SECRETARY OF STATE CONTROL Number: 0509567

(2A.) NAME AND MAILING ADDRESS OF COMPANY

COMMUNITY HOSPICES OF  
AMERICA-TENNESSEE, LLC  
3500 BLUE LAKE DRIVE  
SUITE 201  
BIRMINGHAM, AL 35243



(2B.) STATE OR COUNTRY OF FORMATION

Delaware

(2C.) ADD OR CHANGE MAILING ADDRESS:

RECEIVED  
STATE OF TENNESSEE  
2008 APR -2 AM 8:07  
RILEY DARGELL  
SECRETARY OF STATE

(3) A. PRINCIPAL ADDRESS INCLUDING CITY, STATE, ZIP CODE:  
3500 BLUE LAKE DRIVE, SUITE 201, BIRMINGHAM, AL 35243

B. CHANGE OF PRINCIPAL ADDRESS:

STREET CITY STATE ZIP CODE + 4

(4) This LLC is ☐ BOARD MANAGED ☐ DIRECTOR MANAGED ☐ MANAGER MANAGED ☒ MEMBER MANAGED (check one box)  
If board, director, or manager managed, provide the names and business addresses, including zip codes, of the governors, directors, or managers (or their equivalent),  
respectively. Attach an additional sheet if necessary.

NAME	BUSINESS ADDRESS	CITY, STATE, ZIP CODE + 4

(5) Provide the names and business addresses, including zip codes, of the LLC managers (if governed by the LLC Act), or any officers (if governed by the Revised LLC Act),  
(or their equivalent), respectively. Attach an additional sheet if necessary.

NAME	BUSINESS ADDRESS	CITY, STATE, ZIP CODE + 4
Jim Deal CEO	778 Princeton Hills Dr	Brentwood, TN 37027
David Andrews CFO	3500 Blue Lake Dr Ste 201	Birmingham, AL 35243

(6) A. NAME OF REGISTERED AGENT AS APPEARS ON SECRETARY OF STATE RECORDS:  
C T CORPORATION SYSTEM  
B. REGISTERED ADDRESS AS APPEARS ON SECRETARY OF STATE RECORDS:  
800 S. GAY STREET, SUITE 2021, KNOXVILLE, TN 37929  
C. INDICATE BELOW ANY CHANGES TO THE REGISTERED AGENT NAME AND/OR REGISTERED OFFICE.

(I.) CHANGE OF REGISTERED AGENT: \_\_\_\_\_  
(II.) CHANGE OF REGISTERED OFFICE (Street Address): \_\_\_\_\_  
(City) \_\_\_\_\_ (State) TN (Zip Code + 4) \_\_\_\_\_ (County) \_\_\_\_\_

(7) Number of members on the date the annual report is executed if there are more than six (6) members: \_\_\_\_\_  
☐ This LLC is prohibited from engaging in business in Tennessee (check box if applicable).

(8) SIGNATURE

*David Andrews*

(9) DATE

3/23/08

(10) TYPE/PRINT NAME OF SIGNER

David Andrews

(11) TITLE OF SIGNER

CFO



\*\* THIS REPORT MUST BE DATED AND SIGNED \*\*

# LIMITED LIABILITY COMPANY ANNUAL REPORT

Annual Report Filing Fee Due:  
\$50 per member, with a minimum fee of \$300 and a maximum fee of \$3000.  
There is an additional fee of \$20 if any changes are made in block #6 to the  
registered agent/office.

Please return completed form to:  
TENNESSEE SECRETARY OF STATE  
Attn: Annual Report  
312 Eighth Avenue N. 6th Floor  
William R. Snodgrass Tower  
Nashville, TN 37243

CURRENT FISCAL YEAR CLOSING MONTH: 12

THIS REPORT IS DUE ON OR BEFORE: 04/01/09

(1) SECRETARY OF STATE CONTROL Number: 0509567

(2A.) NAME AND MAILING ADDRESS OF COMPANY

COMMUNITY HOSPICES OF  
AMERICA-TENNESSEE, LLC  
3500 BLUE LAKE DRIVE  
SUITE 201  
BIRMINGHAM, AL 35243



(2B.) STATE OR COUNTRY OF FORMATION

Delaware

(2C.) ADD OR CHANGE MAILING ADDRESS:

(3) A. PRINCIPAL ADDRESS INCLUDING CITY, STATE, ZIP CODE:  
3500 BLUE LAKE DRIVE, SUITE 201, BIRMINGHAM, AL 35243

B. CHANGE OF PRINCIPAL ADDRESS:

STREET CITY STATE ZIP CODE + 4

(4) This LLC is ☐ BOARD MANAGED ☐ DIRECTOR MANAGED ☒ MANAGER MANAGED ☐ MEMBER MANAGED (check one box)  
If board, director, or manager managed, provide the names and business addresses, including zip codes, of the governors, directors, or managers (or their equivalent),  
respectively. Attach an additional sheet if necessary.

NAME	BUSINESS ADDRESS	CITY, STATE, ZIP CODE + 4

(5) Provide the names and business addresses, including zip codes, of the LLC managers (if governed by the LLC Act), or any officers (if governed by the Revised LLC Act),  
(or their equivalent), respectively. Attach an additional sheet if necessary.

NAME	BUSINESS ADDRESS	CITY, STATE, ZIP CODE + 4
Jim Deal CEO	Creekside Crossing 12	Cadillac 37030 Brentwood TN
David Andrews CFO		

(6) A. NAME OF REGISTERED AGENT AS APPEARS ON SECRETARY OF STATE RECORDS:

C T CORPORATION SYSTEM

B. REGISTERED ADDRESS AS APPEARS ON SECRETARY OF STATE RECORDS:

800 S. GAY STREET, SUITE 2021, KNOXVILLE, TN 37929

C. INDICATE BELOW ANY CHANGES TO THE REGISTERED AGENT NAME AND/OR REGISTERED OFFICE.

(I.) CHANGE OF REGISTERED AGENT:

(II.) CHANGE OF REGISTERED OFFICE (Street Address):

(City) (State) TN (Zip Code + 4) (County)

(7) Number of members on the date the annual report is executed if there are more than six (6) members:

☐ This LLC is prohibited from engaging in business in Tennessee (check box if applicable).

(8) SIGNATURE  
Don Syx

(9) DATE  
2-18-09

(10) TYPE/PRINT NAME OF SIGNER  
Don Syx

(11) TITLE OF SIGNER  
Senior Accountant



\*\* THIS REPORT MUST BE DATED AND SIGNED \*\*

State of Tennessee



Department of State  
Corporate Filings  
312 Rosa L. Parks Avenue  
6<sup>th</sup> Floor, William R. Snodgrass Tower  
Nashville, TN 37243

APPLICATION FOR REGISTRATION  
OF ASSUMED  
LIMITED LIABILITY COMPANY NAME

For Office Use Only  
STATE OF TENNESSEE

2009 MAR 11 PM 3:45

THE COMPTON  
SECRETARY OF STATE

Pursuant to the provisions of §48-207-101 (d) of the Tennessee Limited Liability Company Act or §48-249-106(d) of the Tennessee Revised Limited Liability Company Act, the undersigned Limited Liability Company hereby submits this application:

1. The true name of the Limited Liability Company is: Community Hospices of America - Tennessee, LLC

2. The state or country of organization is: Delaware

3. The Limited Liability Company intends to transact business under an assumed Limited Liability Company name.

4. The assumed Limited Liability Company name the Limited Liability Company proposes to use is:

Hospice Compassus — Highland Rim

**NOTE: The assumed Limited Liability Company name must meet the requirements of §48-207-101 of the Tennessee Limited Liability Company Act or §48-249-106 of the Tennessee Revised Limited Liability Company Act, as applicable.**

March 5, 2009  
Signature Date

Chief Financial Officer  
Signer's Capacity

Community Hospices of America - Tennessee, LLC

Name of Limited Liability Company

[Signature]  
Signature

David Andrews  
Name (typed or printed)



File online at: <http://TNBear.TN.gov/AR>

Status: Complete

Due on/Before: 04/01/2010

This Annual Report has been successfully paid for and submitted. Your Annual Report will be reviewed by Business Services and filed within 48 hours. Please keep this report for your records.

**Annual Report Filing Fee Due:**

\$300 minimum plus \$50 for each member over 6 to a maximum of \$3000

\$20 additional if changes are made in block 3 to the registered agent/office

**SOS Control Number:** 509567

**Limited Liability Company - Foreign**

**Date Formed:** 12/19/2005

**Formation Locale:** Delaware

**(1) Name and Mailing Address:**

COMMUNITY HOSPICES OF AMERICA-TENNESSEE, LLC  
3500 BLUE LAKE DRIVE  
SUITE 201  
BIRMINGHAM, AL 35243 USA

**(2) Principal Office Address:**

12 Cadillac Drive  
Suite 360  
Brentwood, TN 37027 USA

**(3) Registered Agent (RA) and Registered Office (RO) Address:** Agent Changed: No

CT CORPORATION SYSTEM  
800 S GAY ST  
STE 2021  
KNOXVILLE, TN 37929 USA

Image #: A0014-0954

(4) This LLC is (change if incorrect):      Director Managed, X Manager Managed,      Member Managed,  
     Board Managed,      Other.

If board, director, or manager managed, provide the names and business addresses, including zip codes, of the governors, directors, or managers (or their equivalent), respectively.

Name	Business Address	City, State, Zip
James Deal	12 Cadillac Drive Suite 360	Brentwood, TN 37027
David Andrews	12 Cadillac Drive Suite 360	Brentwood, TN 37027

(5) Provide the names and business addresses, including zip codes, of the LLC managers (if governed by the LLC Act), or any officers (if governed by the Revised LLC Act), (or their equivalent), respectively.

Name	Business Address	City, State, Zip

(6) Number of members on the date the annual report is executed if there are more than six (6) members: 2

     This LLC is prohibited from doing business in Tennessee (check if applicable)

(7) Signature: Electronic

(8) Date: 03/29/2010 10:09 AM

(9) Type/Print Name: Sonya Douglas

(10) Title: Staff Accountant



# Tennessee Limited Liability Company Annual Report Form

AR Filing #: 02579815

File online at: <http://TNBear.TN.gov/AR>

Status: Unsubmitted

Due on/Before: 04/01/2011

Reporting Year: 2010

Please return completed form to:

Tennessee Secretary of State  
Attn: Annual Reports  
William R. Snodgrass Tower  
312 Rosa L. Parks AVE, 6th FL  
Nashville, TN 37243-1102  
Phone: (615) 741-2286

**Annual Report Filing Fee Due:**

\$300 minimum plus \$50 for each member over 6 to a maximum of \$3000  
\$20 additional if changes are made in block 3 to the registered agent/office

SOS Control Number: 509567

Limited Liability Company - Foreign

Date Formed: 12/19/2005

Formation Locale: Delaware

**(1) Name and Mailing Address:**

COMMUNITY HOSPICES OF AMERICA-TENNESSEE, LLC  
12 CADILLAC DRIVE  
SUITE 360  
BRENTWOOD, TN 37027

**(2) Principal Office Address:**

12 Cadillac Drive  
Suite 360  
Brentwood, TN 37027

**(3) Registered Agent (RA) and Registered Office (RO) Address:** Agent Changed: No

C T Corporation System  
800 S Gay Street, Suite 2021  
Knoxville, TN 37929

RECEIVED  
STATE OF TENNESSEE  
2011 APR - 1 PM 3:02  
TRE HARGETT  
SECRETARY OF STATE

(4) This LLC is (change if incorrect):      Director Managed, X Manager Managed,      Member Managed,  
     Board Managed,      Other.

If board, director, or manager managed, provide the names and business addresses, including zip codes, of the governors, directors, or managers (or their equivalent), respectively.

Name	Business Address	City, State, Zip
JIM DEAL CLP HEALTHCARE	12 CADILLAC DRIVE, STE. 360	BRENTWOOD, TN 37027
DAVID ANDREWS CLP HEALTHCARE	12 CADILLAC DRIVE, STE. 360	BRENTWOOD, TN 37027

(5) Provide the names and business addresses, including zip codes, of the LLC managers (if governed by the LLC Act), or any officers (if governed by the Revised LLC Act), (or their equivalent), respectively.

Name	Business Address	City, State, Zip
JIM DEAL	12 CADILLAC DRIVE, STE 360	BRENTWOOD, TN 37027
DAVID ANDREWS	12 CADILLAC DRIVE, STE 360	BRENTWOOD, TN 37027

(6) Number of members on the date the annual report is executed if there are more than six (6) members: 2

     This LLC is prohibited from doing business in Tennessee (check if applicable)

(7) Signature:

(8) Date: 3/25/2011

(9) Type/Print Name: ERICA MALLAHAN

(10) Title: STAFF ACCOUNTANT

Instructions: Legibly complete the form above. Enclose a check made payable to the Tennessee Secretary of State in the amount of \$300.00. Sign and date this form and return to the address provided above. Additional instructions at [http://tn.gov/sos/bus\\_arv/annual\\_reports.htm](http://tn.gov/sos/bus_arv/annual_reports.htm)



# Tennessee Limited Liability Company Annual Report Form

AR Filing #: 02762131

Status: Unsubmitted

File online at: <http://TNBear.TN.gov/AR>

Due on/Before: 04/01/2012

Reporting Year: 2011

Please return completed form to:

Tennessee Secretary of State

Attn: Annual Reports

William R. Snodgrass Tower

312 Rosa L. Parks AVE, 6th FL

Nashville, TN 37243-1102

Phone: (615) 741-2286

## Annual Report Filing Fee Due:

\$300 minimum plus \$50 for each member over 6 to a maximum of \$3000

\$20 additional if changes are made in block 3 to the registered agent/office

SOS Control Number: 509567

Limited Liability Company - Foreign

Date Formed: 12/19/2005

Formation Locale: Delaware

### (1) Name and Mailing Address:

COMMUNITY HOSPICES OF AMERICA-TENNESSEE, LLC

SUITE 360

12 CADILLAC DRIVE

BRENTWOOD, TN 37027

### (2) Principal Office Address:

SUITE 360

12 CADILLAC DRIVE

BRENTWOOD, TN 37027

### (3) Registered Agent (RA) and Registered Office (RO) Address: Agent Changed: No

C T CORPORATION SYSTEM

STE 2021

800 S GAY ST

KNOXVILLE, TN 37929-9710

(4) This LLC is (change if incorrect): Director Managed, X Manager Managed, Member Managed,  
Board Managed, Other.

If board, director, or manager managed, provide the names and business addresses, including zip codes, of the governors, directors, or managers (or their equivalent), respectively.

Name	Business Address	City, State, Zip
JIM DEAL CLP HEALTHCARE	12 CADILLAC DRIVE, STE 360	BRENTWOOD, TN 37027
DAVID ANDREWS CLP HEALTHCARE	12 CADILLAC DRIVE, STE 360	BRENTWOOD, TN 37027

(5) Provide the names and business addresses, including zip codes, of the LLC managers (if governed by the LLC Act), or any officers (if governed by the Revised LLC Act), (or their equivalent), respectively.

Name	Business Address	City, State, Zip
JIM DEAL	12 CADILLAC DRIVE, STE 360	BRENTWOOD, TN 37027
DAVID ANDREWS	12 CADILLAC DRIVE, STE 360	BRENTWOOD, TN 37027

(6) Number of members on the date the annual report is executed If there are more than six (6) members: 2

       This LLC is prohibited from doing business in Tennessee (check if applicable)

(7) Signature: Steve Skrobak

(8) Date: 3/20/12

(9) Type/Print Name: Steve Skrobak

(10) Title: Staff Accountant

ICK  
2 ARS

Instructions: Legibly complete the form above. Enclose a check made payable to the Tennessee Secretary of State in the amount of \$300.00. Sign and

Received by Tennessee Secretary of State Tre Hargett, 04/04/2012, 14:49:46, 7030.3013

**Attachment A-6  
Lease Agreement**



## LEASE AGREEMENT

THIS LEASE is entered into on this 1<sup>st</sup> day of FEBRUARY, 2013, by and Between JACKSON MEDICAL PLAZA, a Tennessee General Partnership, herein referred to as "Lessor", and CHA HOSPICE OF THE HIGHWAY AND ABA HOSPICE COMPASSUS herein referred to as "Lessee".

### RECITALS

WHEREAS, Lessor is the sole owner of Jackson Medical Plaza (hereinafter called Building), and has office space (herein called demised premises) therein to rent; and

WHEREAS, Lessee is a COMMUNITY BASED HOSPICE and needs space for MEDICAL OFFICE and other office related functions; and

WHEREAS, the parties desire to enter into a Lease Agreement defining their respective rights, duties and liabilities related to the demised premises,

NOW THEREFORE, for and in consideration of the mutual covenants and promises contained herein, the parties agree as follows:

1. Lessor leases to Lessee certain office space, the demised premises, in a building known as Jackson Medical Plaza, located at 1806 North Jackson Street, Tullahoma, Coffee County, Tennessee. The office space being rented shall be Suite No. 516-9 consisting of approximately 4800 square feet of floor space, as shown on the building plan attached hereto as Exhibit A. The demised premises shall be used for the purpose of MEDICAL OFFICES AND OTHER RELATED FUNCTIONS

and for no other purpose.

2. This Lease shall be for a term of 5 year(s), beginning FEB 1, 2013, and terminating JAN 31, 2018. In the event of the death or physical disability of the Lessor which prevents Lessor from performing the duties of his/her profession, this Lease shall terminate one (1) year from the date of said death or disability. The Lessee shall surrender the demised premises to the Lessor immediately upon termination of the Lease.

3. As rental for the demised premises, Lessee shall pay in advance to the Lessor without deduction, set-off, prior notice or demand the sum of FIVE THOUSAND TWO HUNDRED DOLLARS (\$5,200.00) Dollars per month, beginning FEB 1, 2013, and continuing on the first day of each calendar month thereafter for the entire term of this Lease. Rental for a portion of a month, if any, (at the beginning and end of the term hereof) shall be prorated. Payments shall be made to Lessor at the address specified in Paragraph Four below. On Lessee's failure to pay the specified in Paragraph Four below. On Lessee's failure to pay the monthly rental payment by the 5th day of the month in which it is due, Lessee shall owe an additional five percent (5%) of the delinquent monthly rent payment. In addition, if Lessee fails to pay the monthly rental payment by the 5th day of the month in which it is due, the Lessor shall have the right to terminate this Lease and all of Lessee's interest in this Lease will thereupon be forfeited.

After the first twelve months of the Lease, beginning with the thirteenth monthly rental payment and every twelve months thereafter, the above-stated monthly rental payments may, at Lessor's option, be increased if there has been an increase in the costs to the Lessor for any of the following items: (1) real property and/or personal property taxes of any kind for the Building, including those attributable to improvements to the leased property, (2) janitorial services and supplies for the exterior and common areas of the Building, (Lessor is not responsible for providing janitorial service for the demised premises), (3) fire and extended insurance coverage on the Building, (4) utilities (water, sewer, electricity, gas), (5) Building repairs and maintenance, (6) trash disposal service, (7) lawn/landscaping maintenance, and (8) interest on any existing mortgage indebtedness which constitutes a lien against the property known as Jackson Medical Plaza, and any renewal, refinancing or extension thereof. The amount of the increase in the

monthly rental payment for each year of the Lease after the first year shall be determined by taking the amount of the increase in the costs of the above-listed items during each year of the Lease over the costs of said items for the year preceding the execution of this Lease and multiplying said increase by the percentage of the total square footage of Jackson Medical Plaza being leased by Lessee, and then dividing that sum by twelve. The resulting amount shall be added to the base monthly rental as set forth above.

4. Any notice which is required to be given by the Lessor to the Lessee, or vice versa, including the payment of rent, shall be made at the following addresses:

For the Lessor:

JACKSON MEDICAL PLAZA  
1805 N. JACKSON ST #100  
TULLAHOMA, TN 37388

For the Lessee:

HOSPICE COMPASSUS  
12 CADILLAC DR #360  
BRENTWOOD, TN 37027

5. Lessee agrees to comply with all the Rules and Regulations for Jackson Medical Plaza and with all subsequent amendments, additions, or modifications thereof. Said Rules and Regulations are attached hereto as Exhibit B and incorporated herein.

Lessor reserves the right to make such other Rules and Regulations as in its judgment may from time to time be necessary for the safety of its tenants, the cleanliness and care of the building and demised premises, and the preservation of quiet and peaceful occupancy of the building by the tenants. Any such further Rules and Regulations promulgated by Lessor shall be binding upon the parties hereto with the same force and effect as if they had been inserted herein at the time of the execution of this Lease.

6. Lessee shall not use or permit the demised premises, or any part thereof, to be used for any purposes other than those set forth herein. Lessee shall neither permit on the demised premises any act, sale, or storage that may be prohibited under standard forms of fire insurance policies, nor use the demised premises for any such purpose. In addition, no use shall be made or permitted to be made that shall result in (a) waste on the demised premises, (b) a public or private nuisance that may disturb the quiet enjoyment of the other tenants in the Building, (c) improper, unlawful, or objectionable use including sale, storage, or preparation of materials generating an odor on the demised premises or (d) noises or vibrations that may disturb other tenants. Lessee shall comply with all governmental regulations and statutes affecting the demised premises and the operations of the Lessee either now or in the future, during the term of the Lease.

7. Lessee shall not vacate or abandon the demised premises at any time during the Lease term, but if Lessee does vacate or abandon the premises, or is dispossessed by process of law, any personal property belonging to Lessee left on the premises shall be deemed abandoned at the option of the Lessor, and shall become the property of Lessor.

8. Lessee shall be responsible for costs of electrical service to the demised premises. Lessor shall be responsible for the costs of water and sewer service to the demised premises. Lessor shall be responsible for the repair and maintenance of the plumbing and electrical lines located within the floors, walls and ceiling of the demised premises. However, if the said plumbing and electrical lines are damaged or need repair due to misuse or negligence by the Lessee, Lessee will reimburse Lessor for the costs of the repair.

Lessor shall make reasonable attempts to see that the above described utility services are maintained, but in the event that services temporarily cease, due to circumstances beyond the control of Lessor, or equipment failure, et cetera, the Lessor shall have a reasonable period of time within which to reinstate such service, and such temporary loss of service shall not constitute a breach of this Lease, and Lessor shall not be liable for any damages sustained by Lessee as a result of the loss of such service.

9. Lessee has inspected the demised premises, and the demised premises are now in a

good and tenantable condition. Lessee accepts the demised premises in its current condition. Lessee shall maintain the demised premises in a safe, good and tenantable condition during the term of this Lease. Except as otherwise provided in the Lease, Lessee shall not alter, change or make improvements or additions to the demised premises without the written consent of Lessor, which consent shall not be unreasonably withheld. All alterations, improvements, additions and changes that Lessee may desire shall be done at the expense of Lessee. Upon termination of this Lease and surrender of the premises to the Lessor, all alterations, improvements, additions and changes, including any fixtures installed, shall remain on the demised premises and become the property of Lessor without compensation to Lessee OR, at the option of the Lessor, Lessee shall, at his cost, remove any alterations, improvements, additions or changes, including any fixtures installed, and restore the demised premises to its original condition. Lessee shall, at the termination of this Lease, surrender the demised premises to Lessor in as good a condition and repair as when leased to the Lessee, unavoidable and normal wear and tear accepted.

Lessee will not in any manner deface or injure the demised premises, the Building known as Jackson Medical Plaza, or any part thereof. All damage or injury done, intentionally, negligently, or accidentally, to the demised premises, to the Building known as Jackson Medical Plaza or to the other tenants by Lessee, its agents, contractors, employees, customers, licensees, invitees, guests or any person who may be in or on the premises with the consent of Lessee, shall be the responsibility of the Lessee. Lessor may, at its option, repair any damage or injury to the demised premises, the building or the tenants thereof, and Lessee shall thereupon reimburse the Lessor for the cost of the repair.

10. Lessor shall be responsible for repairs and maintenance to the exterior of the premises. Lessor shall be responsible for repair and maintenance of the plumbing and electrical lines within the floors, walls and ceiling of the demised premises. Lessor shall be responsible for repair and maintenance of the heating and air conditioning system for the demised premises. Lessee shall be responsible for repairs, redecoration and maintenance to the interior of premises. Lessor shall make reasonable attempts to see that the above described maintenance and repairs are done promptly, but in the event of circumstances beyond the control of Lessor, or equipment failure, et cetera, the Lessor shall have a reasonable period of time within which to make said repairs and perform said maintenance.

Lessee shall permit Lessor and his agents to enter the premises at all reasonable times to inspect the premises. It is understood by the Lessee that Lessor is not assuming the obligation to inspect the premises to determine the need for any repairs or maintenance.

Once a year, the Lessor, at Lessor's expense, shall have the demised premises inspected and treated for termites. Lessee shall give the Lessor any and all access necessary for said termite inspection and treatment.

It is the responsibility of the Lessee to maintain the demised premises in condition free from all other pests, including but not limited to insects, spiders and rodents. If Lessee fails to maintain said demised premises in a condition free from said pests, Lessor, at Lessor's option, may inspect and treat the demised premises for said pests and the Lessee shall reimburse Lessor for the costs of said treatment.

11. Lessee waives all claims against Lessor for injuries or damages to personal property located at the demised premises or injuries to persons on or about the demised premises. Lessee is liable for: and agrees to indemnify and hold the Lessor harmless from any and all claims, actions, damages, liabilities and expenses in connection with injury to any person, or to the personal property of any person arising from Lessee's failure to keep the premises in a safe, good and tenable condition or arising from Lessee's Occupancy of the demised premises, or occasioned in whole or in part by any act or omission of the Lessee, its agents, contractors, employees, customers, licensees, invitees or guests. Lessor shall not be liable to Lessee for any damage by or from any act or negligence of any other occupant of the same Building.

12. If the demised premises or other portions or the building essential to or affording access to the demised premises, during the term of this Lease, is partially damaged or destroyed by fire or other casualty, Lessor shall have the option of making repairs and restoring the demised

premises within 180 days. Any partial damage or destruction shall neither annul nor void this Lease, except that Lessee shall be entitled to a proportionate reduction of rent while the repairs are being made, being based on the extent to which the making of repairs shall interfere with the business carried on by Lessee. In the event that Lessor does not elect to make repairs, this Lease may be terminated at the option of either party. A total destruction of the building in which the premises are situated shall terminate this Lease.

13. A condemnation of the entire building or condemnation of the portion of the premises occupied by the Lessee shall result in a termination of this Lease Agreement. Lessor shall receive the total of any incidental or consequential damages awarded as a result of this condemnation proceeding.

14. Lessee shall not assign any rights or duties under this Lease, nor sublet the premises or any part thereof, nor allow any other person to occupy or use the premises without the prior written consent of the Lessor, and said consent shall not be unreasonably withheld. A consent to one assignment, sublease or occupation shall not be a consent to any subsequent assignment, sublease or occupation. Any assignment or subletting without consent shall be void.

15. Lessee shall have breached this Lease, and shall be considered in default if (a) Lessee files a petition in bankruptcy or insolvency or for reorganization under any bankruptcy act, or makes an assignment for the benefit of creditors, (b) involuntary proceedings are instituted against Lessee under any bankruptcy act, (c) Lessee fails to pay any installment of rent when due (the acceptance of late rent along with the late fees shall not constitute a waiver of the Lessor's rights to declare any subsequent late payment as constituting a default), (d) Lessee fails to perform or comply with any of the terms, covenants or conditions of this Lease or fails to remedy same, and such failure continues for a period of 10 days after receipt of notice from the Lessor, and (e) Lessee abandons or vacates the premises for more than 30 days.

16. In the event of a breach of this Lease, the rights of the Lessor shall be as follows:

(a) Lessor shall have the right to cancel and terminate this Lease by giving Lessee not less than 5 days notice of the cancellation and termination.

(b) Lessor may re-enter the premises immediately and remove the property and personnel of Lessee, and store the property in a public warehouse or a place selected by Lessor, at the expense of Lessee. Lessee hereby grants to Lessor a security interest in all property located within the leased premises for the purpose of securing any sums due from Lessee to Lessor upon breach.

(c) Lessor may recover from Lessee all damages proximately resulting from Lessee's breach, including the cost of recovering the premises, all costs of reletting, and the remaining sums due under the Lease. The Lessor shall be under no obligation to relet the premises, however, in the event he does so, the Lessee shall be given a credit for all sums actually received from the reletting.

17. If Lessor shall hire an attorney and/or if suit shall be brought for an unlawful detainer of the premises, for the recovery of any rent due under the provisions of this Lease, or for Lessee's breach of any other condition contained herein, Lessee shall pay to Lessor their reasonable attorney fees and any other costs incurred by Lessor in connection therewith.

18. If Lessee holds possession of the premises after the term of this Lease, Lessee shall become a tenant from month to month on the terms specified herein, with the rent to continue at 110% of the highest monthly rate of the lease term.

19. The remedies given herein to Lessor shall be cumulative, and the exercise of any one remedy by Lessor shall not be to the exclusion of any other remedy.

*IN WITNESS WHEREOF*, the parties have executed this Lease at Tallahoma,

Tennessee, on the day and year first above written.

"LESSORS"

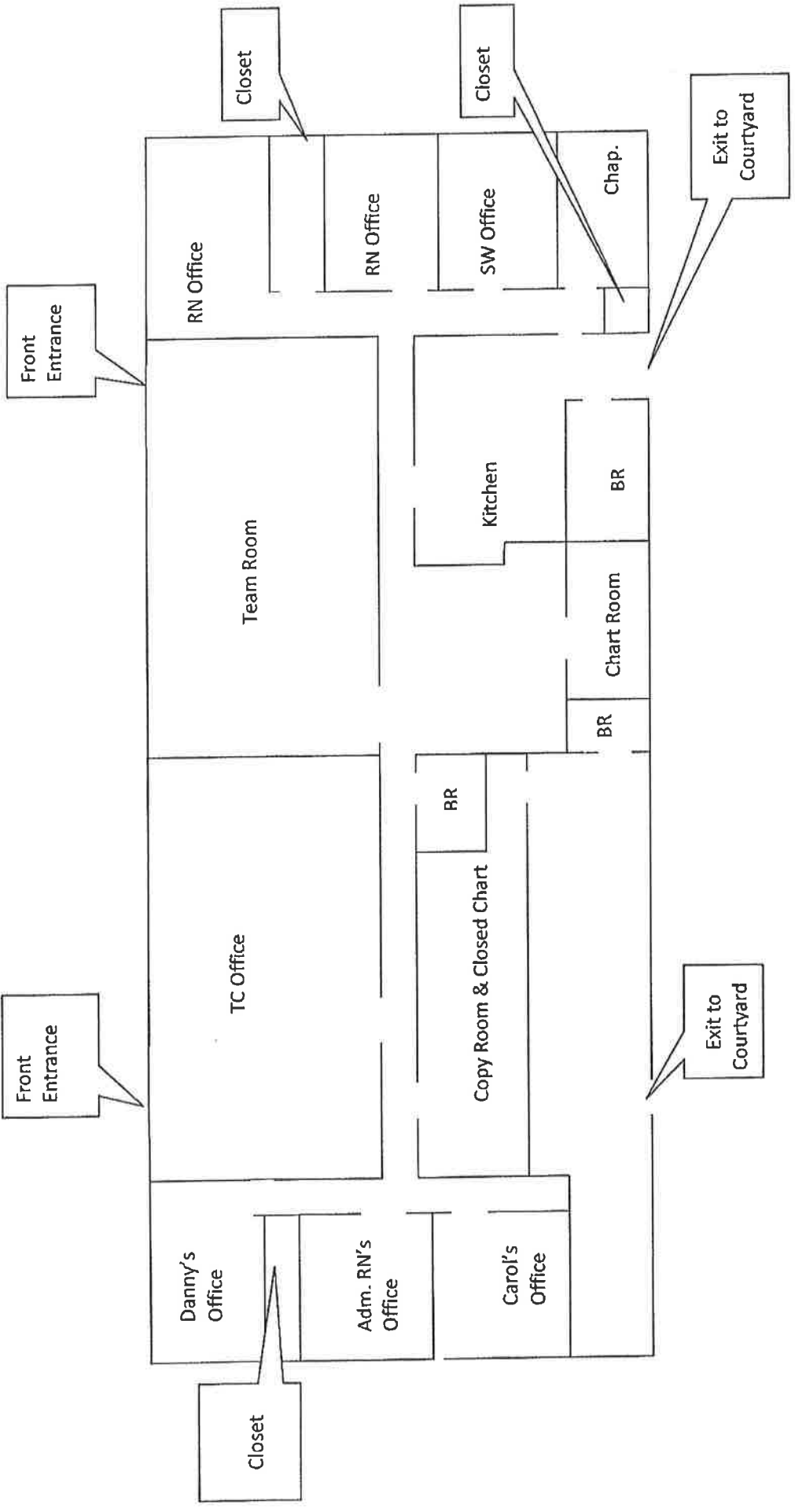
JACKSON MEDICAL PLAZA,  
a Tennessee General Partnership

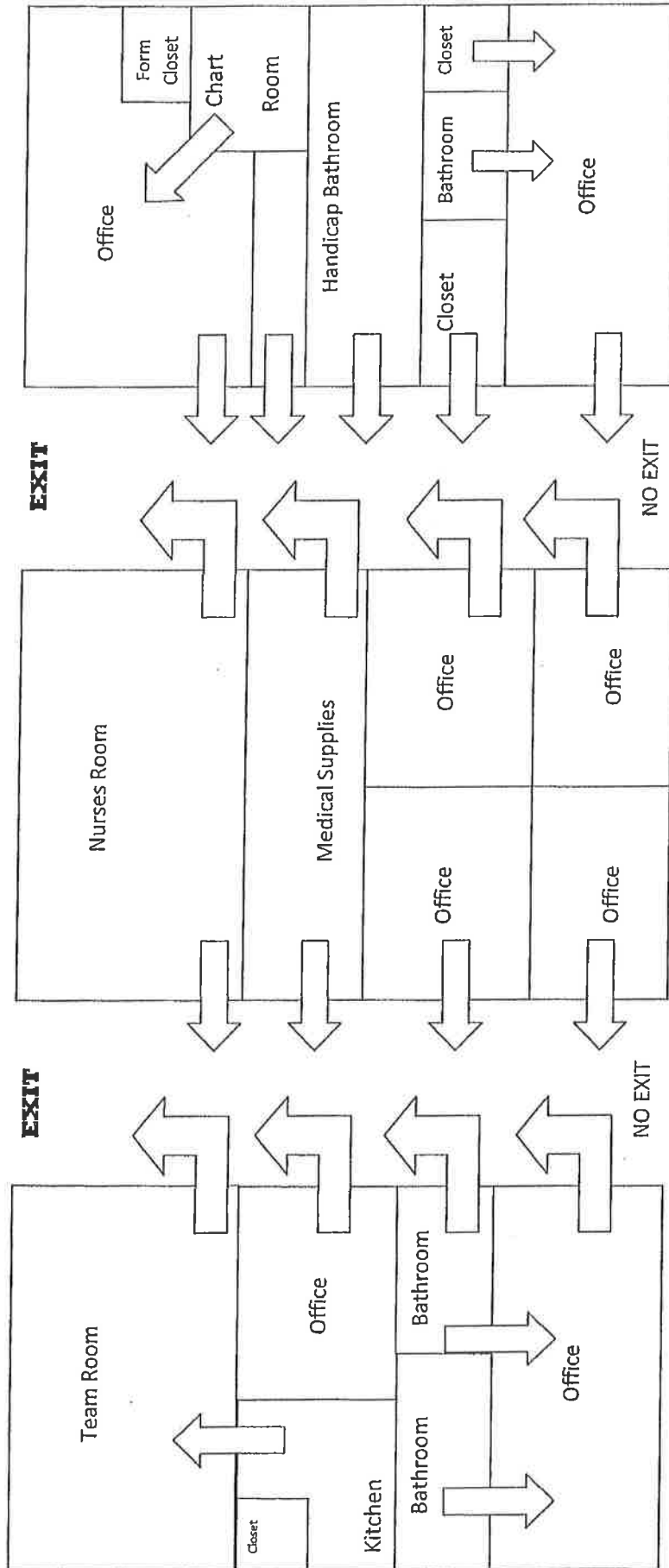
William J. Smith  
General Partner

Karl Duran  
General Partner

"LESSEE"

Edis Kinas, 80






**Courtyard**


# EMERGENCY EXIT MAP

**Attachment B-1**  
**Executive Summary**



## EXECUTIVE SUMMARY

### COMMUNITY HOSPICES OF AMERICA - TENNESSEE, LLC D/B/A HOSPICE COMPASSUS- THE HIGHLAND RIM

1. **Services:** Initiation of hospice services in Lincoln County, Tennessee.
2. **Ownership Structure:** The applicant, Community Hospices of America - Tennessee, LLC d/b/a Hospice Compassus - The Highland Rim (Hospice Compassus), is wholly-owned by Community Hospices of America - Tennessee, LLC.
4. **Project Cost:** The total project costs are \$28,000.
5. **Funding:** Funding for this project is expected to be provided by Hospice Compassus, from its cash reserves.
6. **Service Area:** Lincoln County, Tennessee
7. **Staffing:** In the first and second years of operation, the applicant anticipates utilizing its existing staff as follows: Registered Nurse - 0.50 FTE, Social worker - 0.10 FTE, and Home Health Aide - 0.25 FTE. The applicant will add additional staffing as required.
8. **Financial Feasibility:** The costs of the project are reasonable and do not include any capital expenditures. The applicant expects to generate a positive net income in the first two years of operation.
9. **Need:** The applicant provides both general and specialized hospice services in all of the counties surrounding Lincoln County. The vast majority (over 90%) of its patients are Medicare beneficiaries, and it provides a substantial amount of indigent care to patients that may not otherwise have access to quality hospice services.

Hospice Compassus offers perinatal and pediatric hospice services, as well as palliative care hospice services, that no other licensed hospice provider in Lincoln County currently offers. The applicant routinely receives requests from residents of Lincoln County for both general and specialized hospice services that Lincoln County residents are unable to obtain from other hospice providers.

The applicant's hospice and palliative care services should also assist hospitals in reducing the number of hospital admissions and days, ICU admission and days, 30 day hospital readmissions and in-hospital deaths, as supported by a study performed by Mount Sinai's Icahn School of Medicine, published in *Health Affairs* in March 2013. This will have a significant impact on hospital reimbursement, alleviating the negative impact on reimbursement that results from extended stays and frequent readmissions.

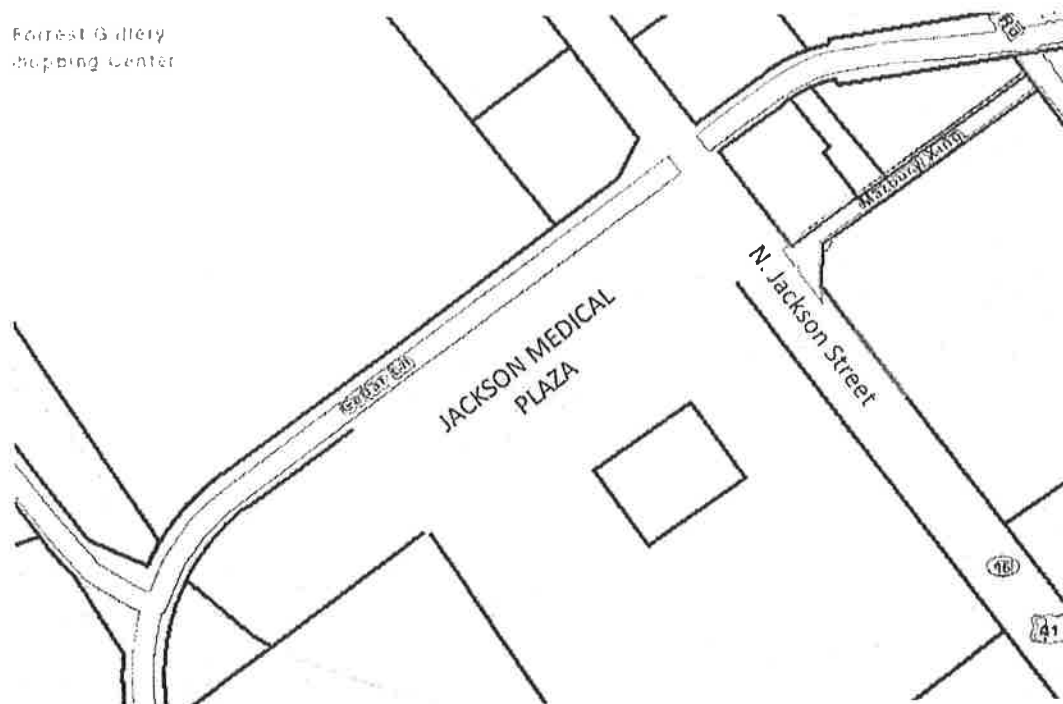
As the application demonstrates, there is a need for general and specialized hospice and palliative care services in Lincoln County. Hospice Compassus is well-qualified to meet this need and can begin providing those services for minimal cost and already has an established administrative infrastructure and staffing model that operates in the surrounding counties.

Calculating a use rate based on current utilization of hospice services results in a need for 70 patients, or more than twice the number the applicant projects serving.

**Attachment B.III(A)**  
**Plot Plan**

**Coffee County - Parcel: 109 061.02**

Forrest Gallery  
Shopping Center



**Date Created: 3/15/2013**



Hospice Compassus, near 1805 N Jackson  
St, Tullahoma, Coffee, Tennessee 37388

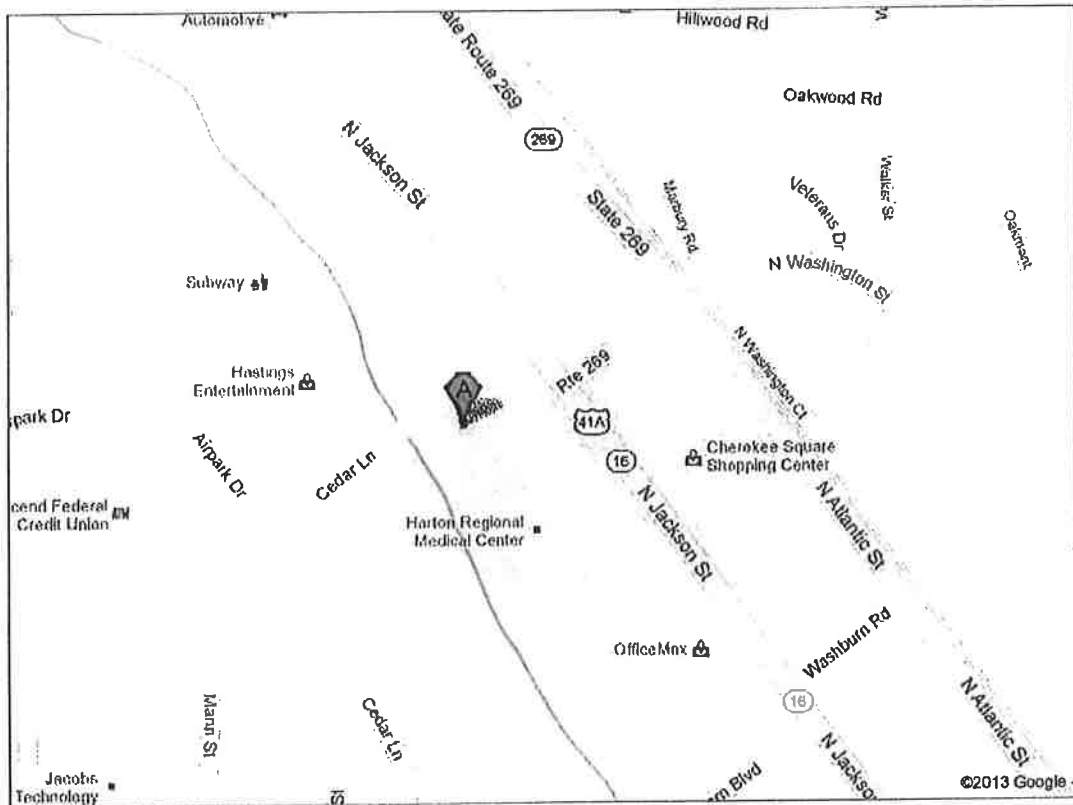
Get Google Maps on your phone



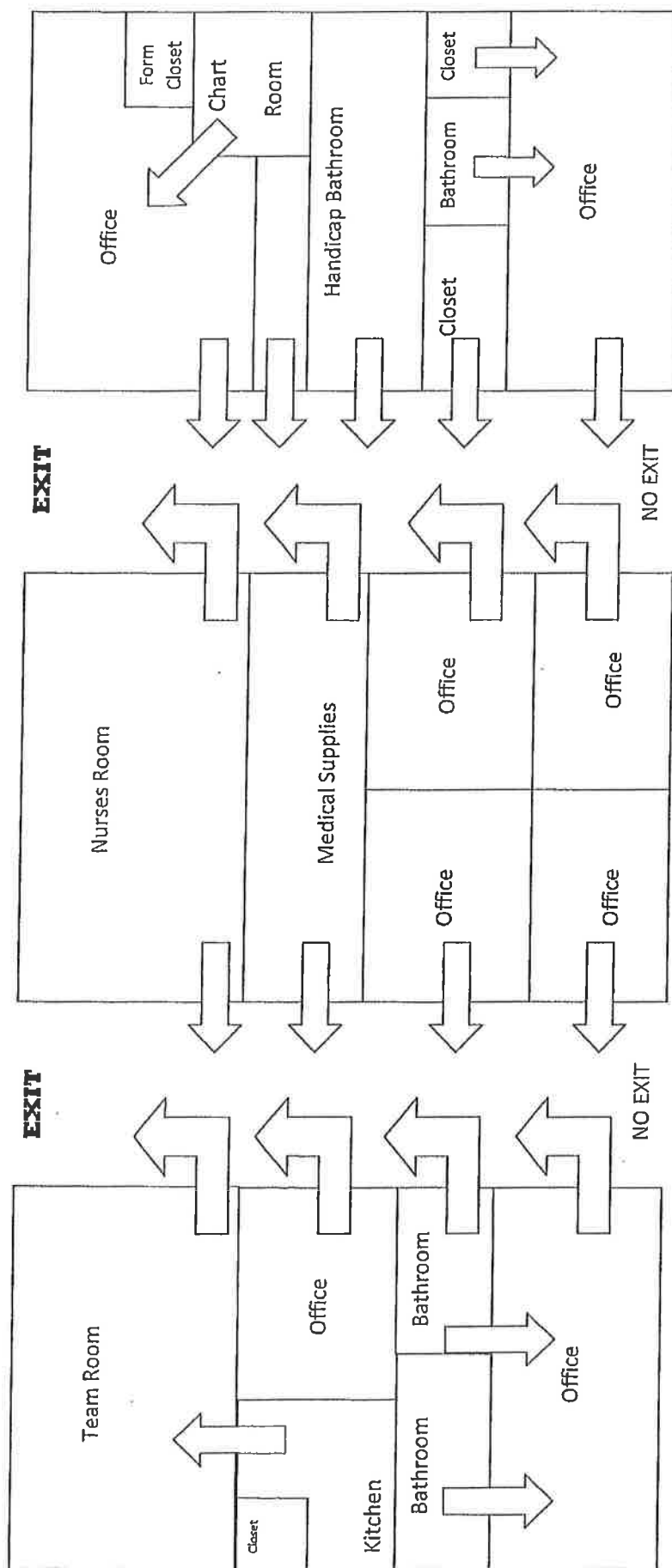
Text the word "GMAPS" to 466453

**A. Hospice Compassus**

1805 N Jackson St, Tullahoma, TN  
(931) 455-9118  
1 review

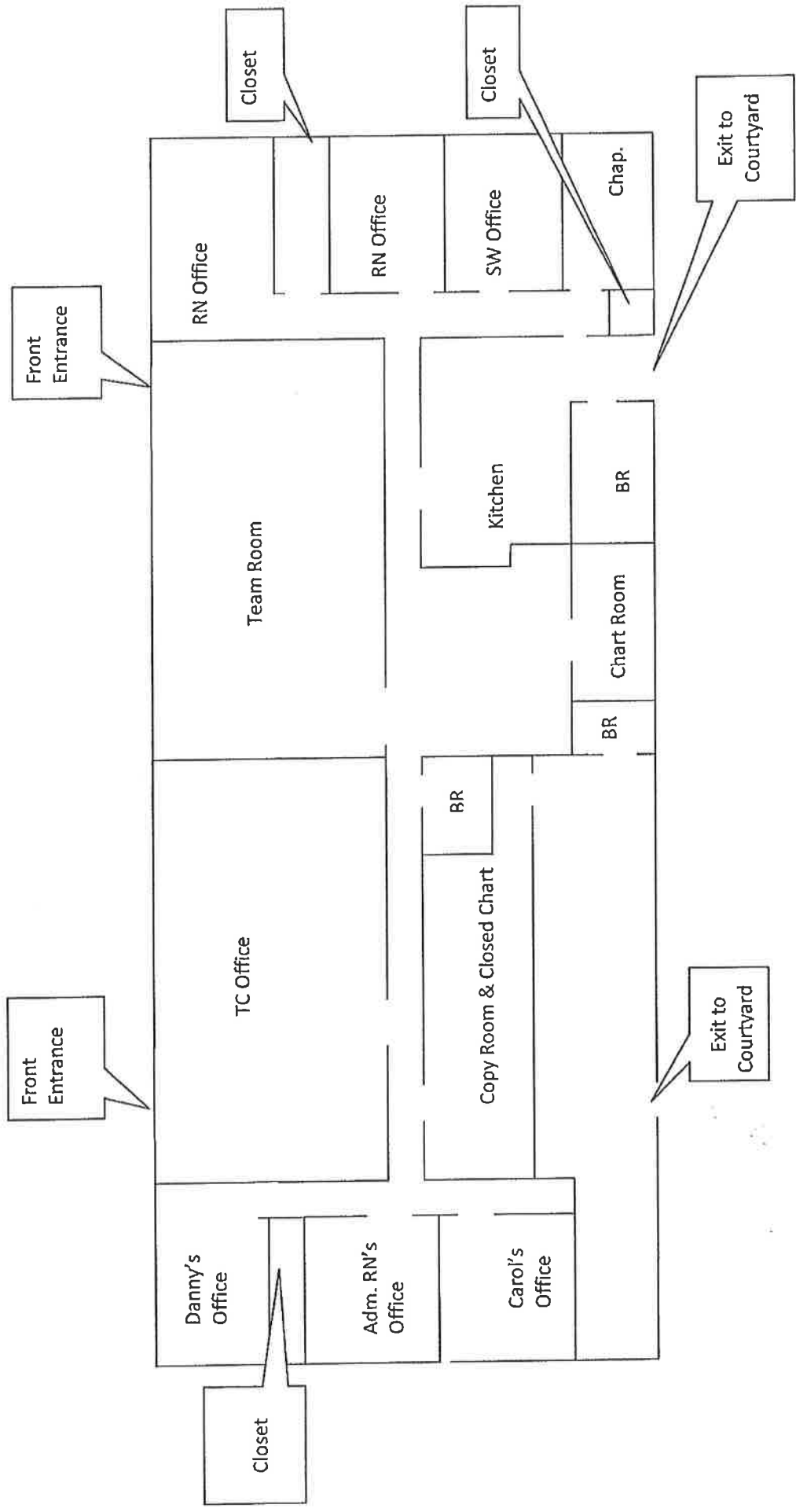


**Attachment B-IV  
Floor Plan**



**← Courtyard →**

**EMERGENCY EXIT MAP**





**Attachment C-Need-2  
Demographic Data**

# Tennessee Deaths 2011

January 2013  
Tennessee Department of Health

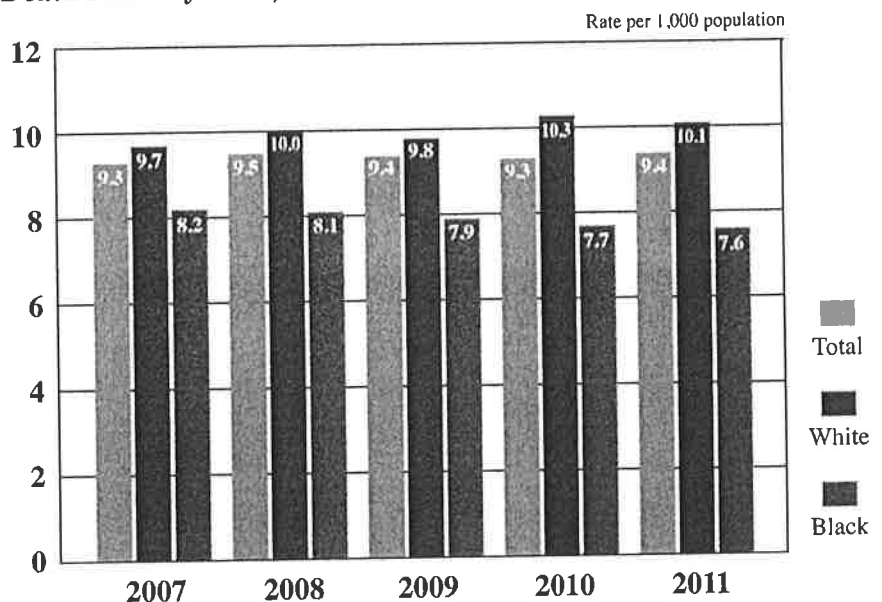
Tennessee's death data provide information on 2011 final mortality data for state residents. Resident data include events which occurred to residents of the state irrespective of where the events took place. Certificates filed with the Office of Vital Records supplied the data for this report.

Over the past century, improvements in scientific technology and research have created a better quality of life. Tennesseans now have the potential for increased longevity of life and reductions in illnesses.

The 2011 total death rate of 9.4 per 1,000 population increased 1.0 percent over the rates for 2007. The mortality rate for the white population increased 4.1 percent from 9.7 in 2007 to 10.1 in 2011. The rate for the black population decreased 7.3 percent from 8.2 per 1,000 population to 7.6 during the 5-year period.

Age-specific death rates for 2011 show the total rates for the age group 65-74 almost three times that of the age group 45-64. Rates by age group for the black residents were higher than those for the white residents, except for the population group 85 years and older when the white rate was higher than both the total and black rate. The black infant death rate of 12.8 was 2.1 times higher than the white rate of 6.0 per 1,000 births.

## Death Rates by Race, Resident Data, Tennessee, 2007-2011



Population estimates for 2007-2009 used to calculate rates were revised February 2008. (See note on last page.)  
Population estimates for 2010 and 2011 were based on the 2010 census data.  
Total includes deaths to other racial groups or race not stated.

## Number of Deaths by Age and Race, with Rates per 100,000 Population, Resident Data, Tennessee, 2011

Age Groups	Total	Rate	White	Rate	Black	Rate
Total	60,104	938.6	51,638	1,014.5	8,178	755.3
Under 1*	587	7.4	361	6.0	211	12.8
1-4 years	95	29.3	68	28.7	24	36.4
5-14 years	119	14.3	83	13.4	36	21.6
15-24 years	646	74.4	464	71.7	175	94.0
25-44 years	3,189	189.9	2,480	188.2	673	227.8
45-64 years	14,054	808.5	11,334	791.1	2,639	1,001.8
65-74 years	11,113	2,209.5	9,629	2,175.4	1,436	2,782.4
75-84 years	14,616	5,364.8	13,006	5,367.2	1,557	5,901.1
85+ years	15,683	15,055.1	14,211	15,211.3	1,427	14,631.41

\*Rates for deaths under age one are per 1,000 live births. All other age groups are per 100,000 population.  
Totals includes deaths of other races and deaths with race or age not stated.

# Tennessee Deaths 2011

Tennessee's ten leading causes of death accounted for 45,404 or 75.5 percent of the total 60,104 deaths in 2011. In recent years, there has been a shift in the leading causes of death. Chronic lower respiratory diseases increased to the third cause of death for 2008-2011, while cerebrovascular diseases declined to the fifth cause for 2009-2011. The codes used for cause of death were from the Tenth Revision International Classification of Diseases.

*Notes: Age-adjustment is a technique that removes the effects that differences in age distributions have on mortality rates for two or more groups being compared. Beginning in 1999, the standard population used in the direct method calculations was revised to the 2000 United States estimated population, as recommended by the National Center for Health Statistics. Thus, any age-adjusted rate values calculated in 1999 and later have a different scale of values from similar rates calculated prior to 1999.*

## Leading Causes of Death (ICD-10 Codes) with Rates and Age-Adjusted Rates per 100,000 Population, Resident Data, Tennessee, 2011

Cause	Number	Rate	Age-Adjusted Rate
Total Deaths	60,104	938.7	872.6
1. Diseases of heart (I00-I09, I11, I13, I20-I51)	14,154	221.0	204.3
2. Malignant neoplasms (C00-C97)	13,461	210.2	187.6
3. Chronic lower respiratory diseases (J40-J47)	3,647	57.0	52.5
4. Accidents (V01-X59, Y85-Y86)	3,400	53.1	52.0
Motor vehicle accidents (V02-V04, V09.0, V09.2, V12-V14, V19.0-V19.2, V19.4-V19.6, V20-V79, V80.3-V80.5, V81.0-V81.1, V82.0-V82.1, V83-V86, V87.0-V87.8, V88.0-V88.8, V89.0, V89.2)	997	15.6	15.4
5. Cerebrovascular diseases (I60-I69)	3,206	50.1	47.3
6. Alzheimer's disease (G30)	2,578	40.3	39.3
7. Diabetes mellitus (E10-E14)	1,737	27.1	24.8
8. Influenza and pneumonia (J10-J18)	1,469	22.9	21.8
9. Intentional self-harm (suicide) (X60-X84, Y87.0)	938	14.6	14.1
10. Nephritis, nephrotic syndrome and nephrosis (N00-N07, N17-N19, N25-N27)	814	12.7	11.8

## Number of Infant and Neonatal Deaths by Race, with Rates per 1,000 Live Births, Resident Data, Tennessee, 2011

Infant Deaths	Number	Rate	Neonatal Deaths	Number	Rate
Total	587	7.4	Total	365	4.6
White	361	6.0	White	225	3.7
Black	211	12.8	Black	128	7.8

Infant Death - A death of a live-born infant under one year of age.

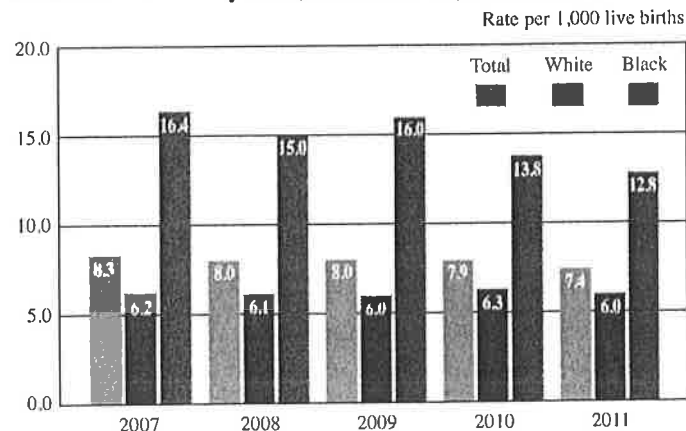
Neonatal Death - A death of a live-born infant under 28 days of age.

Tennessee had 587 infant deaths in 2011. The total infant mortality rate per 1,000 live births was 7.4. The number of white infant deaths was 361 with a mortality rate of 6.0. The number of black infant deaths was 211, with a rate of 12.8 per 1,000 live births. The total number of neonatal deaths was 365 with a rate of 4.6. There were 225 white and 128 black neonatal deaths with corresponding rates of 3.7 and 7.8 per 1,000 live births.

For the period 2007-2011, Tennessee's infant death rates decreased. The total rate decrease 10.8 percent while the white rate decreased 3.2 percent. The 2011 black infant mortality rate of 12.8 decreased 22.0 percent from the 2007 rate of 16.4 deaths per 1,000 live births.

Early prenatal care and educating mothers on the importance of proper nutrition and good health habits, and informative programs like the "Back to Sleep" campaign, have been important factors in the ongoing effort to decrease infant deaths. While these deaths overall have declined since the early 1900's, infant death reduction will continue to be a high priority for health professionals.

## Infant Death Rates by Race, Resident Data, Tennessee, 2007-2011



## Tennessee Deaths 2011

Tennessee's violent death data primarily focuses on assault (homicide) and intentional self-harm (suicide) deaths. Also provided is information on firearm deaths, which includes accidental deaths as well as assault and intentional self-harm deaths due to firearm use. In addition to the violent deaths, there were 5 deaths from legal intervention in 2011.

- During 2011, there were 442 assault deaths among residents of Tennessee. The corresponding death rate was 6.9 per 100,000 population.

- In 2011, 237 or 53.6 percent of the total assault deaths occurred among the black population.

- Of the total 2011 assault deaths, 76.5 percent were males while 44.3 percent of the total were black males.

- The number of intentional self-harm deaths for 2011 was 938 with a rate of 14.6 per 100,000 population.

- The white population accounted for 887 or 94.6 percent of the total 2011 intentional self-harm deaths.

- Of the total 2011 intentional self-harm deaths, 78.1 percent were males while 73.8 percent of the total were white males.

- In 2011, intentional self-harm was the ninth leading cause of death in Tennessee.

The 2011 assault death rate for black residents was 21.9 per 100,000 population. This rate was 5.6 times the white rate of 3.9. The 2011 intentional self-harm rate for the white population was 17.4. This rate was 4.0 times the black rate of 4.3.

### Number of Assault and Intentional Self-Harm Deaths by Race and Gender, with Rates per 100,000 Population, Resident Data, Tennessee, 2011

	Assault		Intentional Self-harm	
	Number	Rate	Number	Rate
Total	442	6.9	938	14.6
White	200	3.9	887	17.4
White Male	139	5.6	692	27.7
White Female	61	2.4	195	7.5
Black	237	21.9	47	4.3
Black Male	196	38.4	39	7.6
Black Female	41	7.2	8	1.4
Other Races	5	2.2	4	1.7
Other Male	3	2.7	2	1.8
Other Female	2	1.7	2	1.7

In 2011, there were 19 assault deaths among children under 15 years of age. The highest rate for assault deaths occurred to persons 25-29 years, while the highest rate for intentional self-harm was for persons 45-54 years of age.

### Number of Assault and Intentional Self-Harm Deaths by Age with Rates per 100,000 Population, Resident Data, Tennessee, 2011

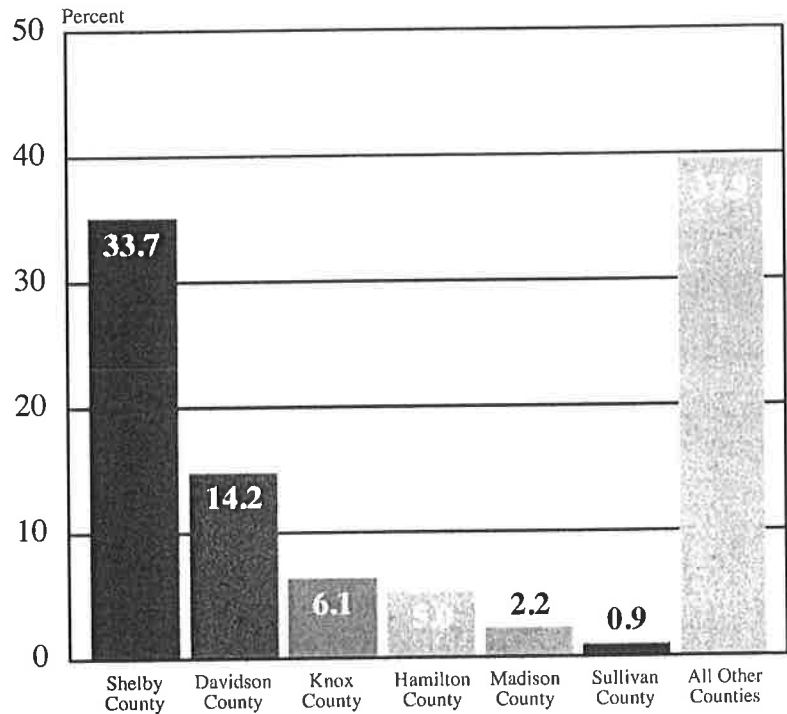
Age Groups	Assault		Intentional Self-harm	
	Number	Rate	Number	Rate
Total	442	6.9	938	14.6
Under 1*	10	0.1	-	-
1-9 years	8	1.1	-	-
10-14 years	1	0.2	1	0.2
15-19 years	47	11.0	31	7.3
20-24 years	64	14.5	58	13.1
25-29 years	63	15.0	74	17.7
30-34 years	40	9.6	70	16.8
35-44 years	77	9.1	166	19.7
45-54 years	65	7.1	215	23.3
55-64 years	38	4.7	173	21.2
65-74 years	12	2.4	89	17.7
75-84 years	11	4.0	43	15.8
85+ years	6	5.8	18	17.3

\*Rates for deaths under age one are per 1,000 births. All other age groups are per 100,000 population.

## Tennessee Deaths 2011

Tennessee's assault mortality by county of residence revealed the highest numbers for the metropolitan areas of Shelby and Davidson Counties for the period of 2007-2011. The larger number of assault deaths in metropolitan counties is a reflection of the larger population at risk base, not necessarily greater assault rates. The six metropolitan counties (Shelby, Davidson Hamilton, Knox, Madison, and Sullivan) accounted for 62.1 percent of the total assault deaths for the 5-year period.

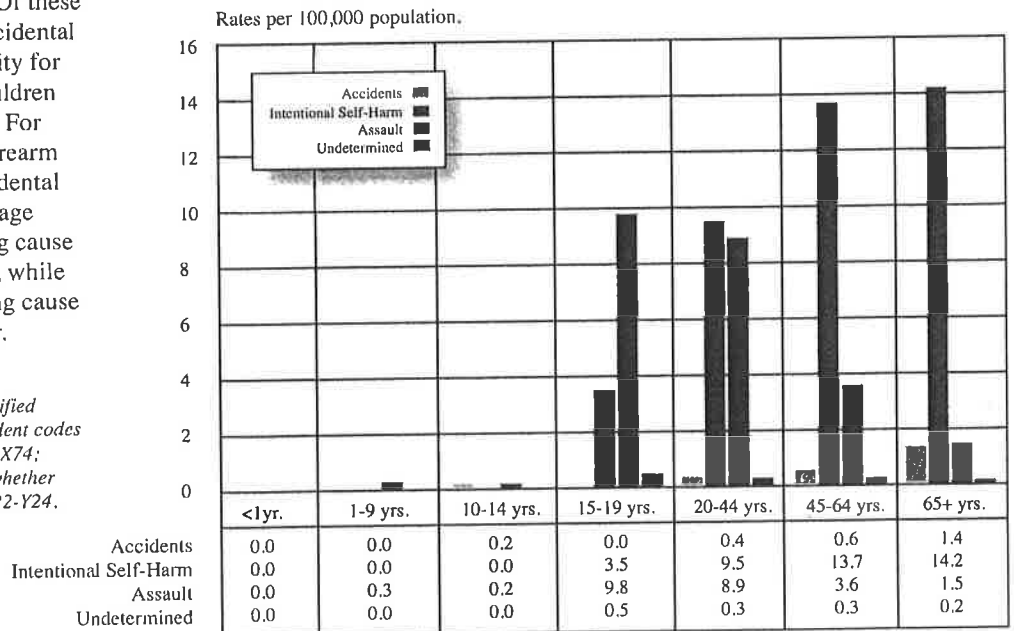
**Five-Year Average Percent of Assault (Homicide) Deaths, by Metropolitan and Rural Counties, Resident Data, Tennessee 2007-2011**



In 2011, two children under the age of 10 years died from firearm injuries. Of these deaths, both were assault. While accidental death is the leading cause of mortality for young children, violence toward children and youth is of increasing concern. For children ages 10-14, there were 2 firearm deaths. Of these deaths, 1 was accidental and 1 was an assault death. For the age group 15-19, assault was the leading cause of firearm mortality with 42 deaths, while intentional self-harm was the leading cause of all age groups 20 years and older.

Deaths attributed to firearm injury are classified according to ICD-10 codes as follows: accident codes W32-W34; intentional self-harm codes X72-X74; assault codes X93-X95, and undetermined whether accidentally or purposely inflicted, codes Y22-Y24.

**Firearm Death Rates by Age Group, Resident Data, Tennessee, 2011**



Rates for deaths under age one are per 1,000 live births. All other age groups are per 100,000 population.

## Tennessee Deaths 2011

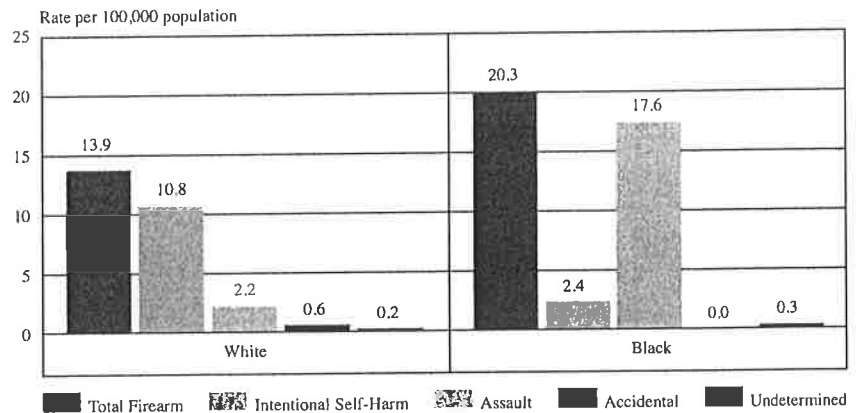
Tennessee had 708 firearm deaths for white residents and 220 for black residents in 2011. The white firearm death rate was 13.9 per 100,000 population. The black rate of 20.3 was 1.5 times greater than the white rate. The white intentional self-harm firearm mortality rate was 4.5 times greater than the black rate, while the black assault firearm death rate was 8.0 times greater than the white rate. The 2011 accidental firearm death rate for the white population group was 0.6, while there were no deaths for the black group. The undetermined cause rate was 0.2 for the white population and 0.3 for the black population.

### Number of Firearm Deaths by Race and Gender, with Rates per 100,000 Population, Resident Data, Tennessee, 2011

	Number	Rate
Total	935	14.6
White	708	13.9
White Male	577	23.1
White Female	131	5.1
Black	220	20.3
Black Male	190	37.2
Black Female	30	5.2
Other Races	7	3.0
Other Male	4	3.6
Other Female	3	2.5

From 2007 to 2011, Tennessee's total death rate for diseases of heart decreased 5.2 percent, while the rate for malignant neoplasms (cancer) decreased 2.4 percent. Although heart disease continues to be the leading cause of death for the total population, the cancer death rate for the population under 85 years of age exceeded the rate for heart disease for 2007-2011. This relationship is similar to comparative data at the national level. Smoking, obesity, poor diet, and lack of exercise are all contributing factors to both heart disease and cancer deaths.

### Firearm Death Rates by Race, Resident Data, Tennessee, 2011



For 2011, firearm death rates by race and gender show that black males had the highest rate (37.2) per 100,000 population. The population group of other females had the lowest rate of 2.5.

The 2011 total firearm death rate of 14.6 per 100,000 population increased 0.7 percent over the rate (14.5) in 2010. Violent deaths have become an important health issue as it appears that violent behavior has grown to be the course of action for conflict, emotional distress, and criminal activity. Reducing these preventable deaths is imperative in the goal toward increased longevity of life.

### Number Deaths for Diseases of Heart and Malignant Neoplasms, by Age Group, with Rates per 100,000 Population, Resident Data, Tennessee, 2007-2011

Year	Total		Under 85 Years		85 Years and Older	
	Number	Rate	Number	Rate	Number	Rate
<b>Diseases of Heart</b>						
2007	14,202	233.2	9,748	162.8	4,454	4,428.8
2008	14,636	238.2	9,968	165.0	4,668	4,507.7
2009	14,144	228.0	9,645	158.2	4,498	4,219.7
2010	14,489	228.3	9,873	158.1	4,616	4,619.8
2011	14,154	221.0	9,602	152.4	4,552	4,369.7
<b>Malignant Neoplasms</b>						
2007	13,112	215.3	11,534	192.6	1,578	1,569.1
2008	13,108	213.3	11,472	189.9	1,636	1,579.8
2009	13,409	216.2	11,783	193.3	1,626	1,525.4
2010	13,514	212.9	11,752	188.1	1,762	1,763.5
2011	13,461	210.2	11,713	186.0	1,748	1,678.0

## Tennessee Deaths 2011

Tennessee's injury deaths include unintentional and intentional deaths for the 5-year period of 2007-2011. Motor vehicle deaths (997) with a rate of 15.6 per 100,000 population decreased 7.1 percent from the rate of 16.8 in 2010. This cause accounted for 29.3 percent of all resident accidental deaths in 2011.

### Number of Injury Deaths, by Type with Rates per 100,000 Population, Resident Data, Tennessee, 2007-2011

Year	Accidents Including Motor vehicle		Intentional Self-harm		Assault	
	Number	Rate	Number	Rate	Number	Rate
2011	3,400	53.1	938	14.6	442	6.9
2010	3,472	54.7	932	14.7	409	6.4
2009	3,148	50.8	939	15.1	491	7.9
2008	3,220	52.4	965	15.7	480	7.8
2007	3,206	52.6	833	13.7	468	7.7

More detailed county level mortality data may be obtained by contacting the Tennessee Department of Health,  
Office of Health Statistics or at our website [tn.gov/health](http://tn.gov/health)

<b>2011 Total Population 6,403,140</b>	<b>2011 White Population 5,090,175</b>	<b>2011 Black Population 1,082,765</b>
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NOTE: The population estimates for Tennessee used to calculate the rates in this report for 2007-2009 were based on figures prepared from the 2000 Census in February 2008 by the Office of Health Statistics. The population estimates for 2010 were based on the 2010 Census data. Population estimates for 2011 were interpolated from the Census five-year age cohort estimates (CC-EST2011-ALLDATA-[ST-FIPS] May 2012) by the Office of Health Statistics in October 2012. These population figures may result in rates that differ from those published in previous time periods.

Report of Tennessee Deaths 2011 was published by the  
Tennessee Department of Health, Office of Health Statistics,  
Cordell Hull Building, Nashville, Tennessee, 37243  
Teresa S. Hendricks, Director  
For additional information please contact:  
George Plumlee, Manager, (615)741-1954

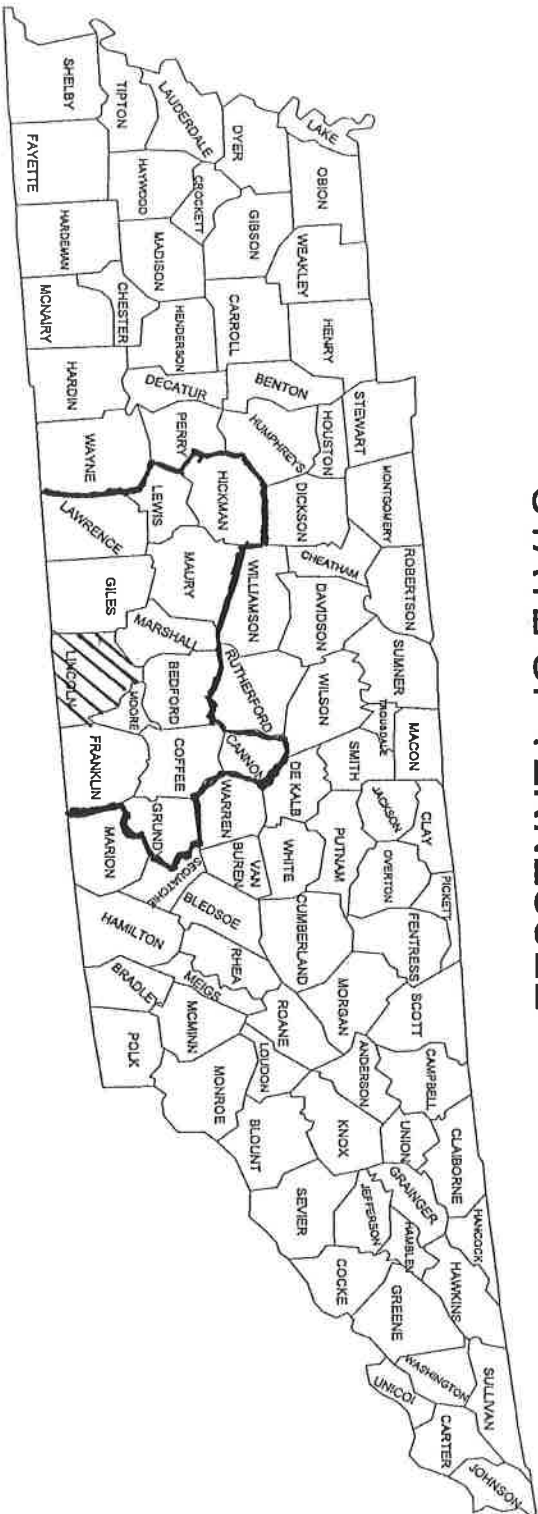


Tennessee Department of Health, Authorization  
No. 343622, (01-13) website only

**Attachment C-Need-3  
Service Area Map**



# STATE OF TENNESSEE



Existing Service Area



Proposed Service Area

**Attachment C-Need-4**  
**Census Data**

DP-1

Profile of General Population and Housing Characteristics: 2010

2010 Demographic Profile Data

NOTE: For more information on confidentiality protection, nonsampling error, and definitions, see <http://www.census.gov/prod/cen2010/doc/dpsf.pdf>.

Geography: Lincoln County, Tennessee

Subject	Number	Percent
<b>SEX AND AGE</b>		
Total population	33,361	100.0
Under 5 years	2,152	6.5
5 to 9 years	2,097	6.3
10 to 14 years	2,237	6.7
15 to 19 years	2,112	6.3
20 to 24 years	1,781	5.3
25 to 29 years	1,753	5.3
30 to 34 years	1,827	5.5
35 to 39 years	1,932	5.8
40 to 44 years	2,169	6.5
45 to 49 years	2,614	7.8
50 to 54 years	2,653	8.0
55 to 59 years	2,358	7.1
60 to 64 years	2,126	6.4
65 to 69 years	1,756	5.3
70 to 74 years	1,404	4.2
75 to 79 years	1,044	3.1
80 to 84 years	726	2.2
85 years and over	620	1.9
Median age (years)	41.8	(X)
16 years and over	26,453	79.3
18 years and over	25,575	76.7
21 years and over	24,375	73.1
62 years and over	6,767	20.3
65 years and over	5,550	16.6
<b>Male population</b>		
Male population	16,268	48.8
Under 5 years	1,064	3.2
5 to 9 years	1,106	3.3
10 to 14 years	1,163	3.5
15 to 19 years	1,094	3.3
20 to 24 years	911	2.7
25 to 29 years	851	2.6
30 to 34 years	897	2.7
35 to 39 years	940	2.8
40 to 44 years	1,076	3.2
45 to 49 years	1,315	3.9
50 to 54 years	1,320	4.0
55 to 59 years	1,150	3.4
60 to 64 years	1,008	3.0
65 to 69 years	807	2.4
70 to 74 years	642	1.9

Subject	Number	Percent
75 to 79 years	456	1.4
80 to 84 years	298	0.9
85 years and over	170	0.5
Median age (years)	40.5	( X )
16 years and over	12,710	38.1
18 years and over	12,271	36.8
21 years and over	11,639	34.9
62 years and over	2,922	8.8
65 years and over	2,373	7.1
Female population	17,093	51.2
Under 5 years	1,088	3.3
5 to 9 years	991	3.0
10 to 14 years	1,074	3.2
15 to 19 years	1,018	3.1
20 to 24 years	870	2.6
25 to 29 years	902	2.7
30 to 34 years	930	2.8
35 to 39 years	992	3.0
40 to 44 years	1,093	3.3
45 to 49 years	1,299	3.9
50 to 54 years	1,333	4.0
55 to 59 years	1,208	3.6
60 to 64 years	1,118	3.4
65 to 69 years	949	2.8
70 to 74 years	762	2.3
75 to 79 years	588	1.8
80 to 84 years	428	1.3
85 years and over	450	1.3
Median age (years)	43.1	( X )
16 years and over	13,743	41.2
18 years and over	13,304	39.9
21 years and over	12,736	38.2
62 years and over	3,845	11.5
65 years and over	3,177	9.5
RACE		
Total population	33,361	100.0
One Race	32,770	98.2
White	29,841	89.4
Black or African American	2,269	6.8
American Indian and Alaska Native	151	0.5
Asian	122	0.4
Asian Indian	41	0.1
Chinese	6	0.0
Filipino	26	0.1
Japanese	3	0.0
Korean	22	0.1
Vietnamese	11	0.0
Other Asian [1]	13	0.0
Native Hawaiian and Other Pacific Islander	20	0.1
Native Hawaiian	7	0.0
Guamanian or Chamorro	11	0.0
Samoan	0	0.0
Other Pacific Islander [2]	2	0.0
Some Other Race	367	1.1

Subject	Number	Percent
Two or More Races	591	1.8
White; American Indian and Alaska Native [3]	263	0.8
White; Asian [3]	33	0.1
White; Black or African American [3]	194	0.6
White; Some Other Race [3]	32	0.1
Race alone or in combination with one or more other races: [4]		
White	30,403	91.1
Black or African American	2,506	7.5
American Indian and Alaska Native	448	1.3
Asian	177	0.5
Native Hawaiian and Other Pacific Islander	36	0.1
Some Other Race	414	1.2
HISPANIC OR LATINO		
Total population	33,361	100.0
Hispanic or Latino (of any race)	885	2.7
Mexican	627	1.9
Puerto Rican	57	0.2
Cuban	17	0.1
Other Hispanic or Latino [5]	184	0.6
Not Hispanic or Latino	32,476	97.3
HISPANIC OR LATINO AND RACE		
Total population	33,361	100.0
Hispanic or Latino	885	2.7
White alone	439	1.3
Black or African American alone	13	0.0
American Indian and Alaska Native alone	6	0.0
Asian alone	7	0.0
Native Hawaiian and Other Pacific Islander alone	7	0.0
Some Other Race alone	344	1.0
Two or More Races	69	0.2
Not Hispanic or Latino	32,476	97.3
White alone	29,402	88.1
Black or African American alone	2,256	6.8
American Indian and Alaska Native alone	145	0.4
Asian alone	115	0.3
Native Hawaiian and Other Pacific Islander alone	13	0.0
Some Other Race alone	23	0.1
Two or More Races	522	1.6
RELATIONSHIP		
Total population	33,361	100.0
In households	33,078	99.2
Householder	13,382	40.1
Spouse [6]	7,233	21.7
Child	9,242	27.7
Own child under 18 years	6,718	20.1
Other relatives	1,991	6.0
Under 18 years	932	2.8
65 years and over	255	0.8
Nonrelatives	1,230	3.7
Under 18 years	131	0.4
65 years and over	66	0.2
Unmarried partner	644	1.9
In group quarters	283	0.8
Institutionalized population	272	0.8
Male	136	0.4

Subject	Number	Percent
Female	136	0.4
Noninstitutionalized population	11	0.0
Male	8	0.0
Female	3	0.0
HOUSEHOLDS BY TYPE		
Total households	13,382	100.0
Family households (families) [7]	9,449	70.6
With own children under 18 years	3,664	27.4
Husband-wife family	7,233	54.1
With own children under 18 years	2,527	18.9
Male householder, no wife present	610	4.6
With own children under 18 years	304	2.3
Female householder, no husband present	1,606	12.0
With own children under 18 years	833	6.2
Nonfamily households [7]	3,933	29.4
Householder living alone	3,434	25.7
Male	1,432	10.7
65 years and over	395	3.0
Female	2,002	15.0
65 years and over	1,190	8.9
Households with individuals under 18 years	4,239	31.7
Households with individuals 65 years and over	4,024	30.1
Average household size	2.47	( X )
Average family size [7]	2.95	( X )
HOUSING OCCUPANCY		
Total housing units	15,241	100.0
Occupied housing units	13,382	87.8
Vacant housing units	1,859	12.2
For rent	320	2.1
Rented, not occupied	22	0.1
For sale only	239	1.6
Sold, not occupied	101	0.7
For seasonal, recreational, or occasional use	267	1.8
All other vacants	910	6.0
Homeowner vacancy rate (percent) [8]	2.3	( X )
Rental vacancy rate (percent) [9]	8.7	( X )
HOUSING TENURE		
Occupied housing units	13,382	100.0
Owner-occupied housing units	10,049	75.1
Population in owner-occupied housing units	24,980	( X )
Average household size of owner-occupied units	2.49	( X )
Renter-occupied housing units	3,333	24.9
Population in renter-occupied housing units	8,098	( X )
Average household size of renter-occupied units	2.43	( X )

X Not applicable.

[1] Other Asian alone, or two or more Asian categories.

[2] Other Pacific Islander alone, or two or more Native Hawaiian and Other Pacific Islander categories.

[3] One of the four most commonly reported multiple-race combinations nationwide in Census 2000.

[4] In combination with one or more of the other races listed. The six numbers may add to more than the total population, and the six percentages may add to more than 100 percent because individuals may report more than one race.

[5] This category is composed of people whose origins are from the Dominican Republic, Spain, and Spanish-speaking Central or South

American countries. It also includes general origin responses such as "Latino" or "Hispanic."

[6] "Spouse" represents spouse of the householder. It does not reflect all spouses in a household. Responses of "same-sex spouse" were edited during processing to "unmarried partner."

[7] "Family households" consist of a householder and one or more other people related to the householder by birth, marriage, or adoption. They do not include same-sex married couples even if the marriage was performed in a state issuing marriage certificates for same-sex couples. Same-sex couple households are included in the family households category if there is at least one additional person related to the householder by birth or adoption. Same-sex couple households with no relatives of the householder present are tabulated in nonfamily households. "Nonfamily households" consist of people living alone and households which do not have any members related to the householder.

[8] The homeowner vacancy rate is the proportion of the homeowner inventory that is vacant "for sale." It is computed by dividing the total number of vacant units "for sale only" by the sum of owner-occupied units, vacant units that are "for sale only," and vacant units that have been sold but not yet occupied; and then multiplying by 100.

[9] The rental vacancy rate is the proportion of the rental inventory that is vacant "for rent." It is computed by dividing the total number of vacant units "for rent" by the sum of the renter-occupied units, vacant units that are "for rent," and vacant units that have been rented but not yet occupied; and then multiplying by 100.

Source: U.S. Census Bureau, 2010 Census.

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State &amp; County QuickFacts

## Lincoln County, Tennessee

People QuickFacts	Lincoln	
	County	Tennessee
Population, 2012 estimate	NA	6,456,243
Population, 2011 estimate	33,431	6,399,787
Population, 2010 (April 1) estimates base	33,361	6,346,113
Population, percent change, April 1, 2010 to July 1, 2012	NA	1.7%
Population, percent change, April 1, 2010 to July 1, 2011	0.2%	0.8%
Population, 2010	33,361	6,346,105
Persons under 5 years, percent, 2011	6.4%	6.3%
Persons under 18 years, percent, 2011	23.1%	23.3%
Persons 65 years and over, percent, 2011	16.9%	13.7%
Female persons, percent, 2011	51.2%	51.3%
White persons, percent, 2011 (a)	90.0%	79.5%
Black persons, percent, 2011 (a)	7.2%	16.9%
American Indian and Alaska Native persons, percent, 2011 (a)	0.5%	0.4%
Asian persons, percent, 2011 (a)	0.4%	1.5%
Native Hawaiian and Other Pacific Islander persons, percent, 2011 (a)	0.1%	0.1%
Persons reporting two or more races, percent, 2011	1.8%	1.6%
Persons of Hispanic or Latino Origin, percent, 2011 (b)	2.7%	4.7%
White persons not Hispanic, percent, 2011	87.7%	75.4%
Living in same house 1 year & over, percent, 2007-2011	88.3%	84.1%
Foreign born persons, percent, 2007-2011	1.1%	4.5%
Language other than English spoken at home, percent age 5+, 2007-2011	2.1%	6.4%
High school graduate or higher, percent of persons age 25+, 2007-2011	79.0%	83.2%
Bachelor's degree or higher, percent of persons age 25+, 2007-2011	14.9%	23.0%
Veterans, 2007-2011	2,622	501,665
Mean travel time to work (minutes), workers age 16+, 2007-2011	26.3	24.0
Housing units, 2011	15,323	2,829,025
Homeownership rate, 2007-2011	75.4%	69.0%
Housing units in multi-unit structures, percent, 2007-2011	8.1%	18.1%
Median value of owner-occupied housing units, 2007-2011	\$112,300	\$137,200
Households, 2007-2011	13,298	2,457,997
Persons per household, 2007-2011	2.45	2.50
Per capita money income in the past 12 months (2011 dollars), 2007-2011	\$21,986	\$24,197
Median household income, 2007-2011	\$41,454	\$43,989
Persons below poverty level, percent, 2007-2011	16.1%	16.9%
Business QuickFacts	Lincoln	
	County	Tennessee
Private nonfarm establishments, 2010	595	131,582 <sup>1</sup>
Private nonfarm employment, 2010	6,685	2,264,032 <sup>1</sup>
Private nonfarm employment, percent change, 2000-2010	-8.2	-5.3 <sup>1</sup>
Nonemployer establishments, 2010	2,416	465,545
Total number of firms, 2007	2,511	545,348
Black-owned firms, percent, 2007	S	8.4%
American Indian- and Alaska Native-owned firms, percent, 2007	F	0.5%
Asian-owned firms, percent, 2007	F	2.0%
Native Hawaiian and Other Pacific Islander-owned firms, percent, 2007	F	0.1%



Hispanic-owned firms, percent, 2007	S	1.6%
Women-owned firms, percent, 2007	S	25.9%
Manufacturers shipments, 2007 (\$1000)	D	140,447,760
Merchant wholesaler sales, 2007 (\$1000)	147,507	80,116,528
Retail sales, 2007 (\$1000)	366,545	77,547,291
Retail sales per capita, 2007	\$11,198	\$12,563
Accommodation and food services sales, 2007 (\$1000)	26,170	10,626,759
Building permits, 2011	138	14,977

<b>Geography QuickFacts</b>	<b>Lincoln County</b>	<b>Tennessee</b>
Land area in square miles, 2010	570.34	41,234.90
Persons per square mile, 2010	58.5	153.9
FIPS Code	103	47
Metropolitan or Micropolitan Statistical Area	None	

1: Includes data not distributed by county.

(a) Includes persons reporting only one race.

(b) Hispanics may be of any race, so also are included in applicable race categories.

D: Suppressed to avoid disclosure of confidential information

F: Fewer than 100 firms

FN: Footnote on this item for this area in place of data

NA: Not available

S: Suppressed; does not meet publication standards

X: Not applicable

Z: Value greater than zero but less than half unit of measure shown

Source U.S. Census Bureau: State and County QuickFacts. Data derived from Population Estimates, American Community Survey, Census of Population and Housing, State and County Housing Unit Estimates, County Business Patterns, Nonemployer Statistics, Economic Census, Survey of Business Owners, Building Permits, Consolidated Federal Funds Report  
Last Revised: Thursday, 10-Jan-2013 15:18:30 EST

## **Attachment C, Economic Feasibility-2 Financing Letter**

March 14, 2013

Ms. Melanie Hill  
Executive Director  
Health Services & Development Agency  
Suite 850  
500 Deaderick Street  
Nashville, Tennessee 37243

Re: Certificate of Need Application for Community Hospices of America – Tennessee, LLC.

Dear Ms. Hill;

As an Executive of Community Hospices of America – Tennessee, LLC., a wholly owned subsidiary of CLP Healthcare Services, Inc., with corporate responsibilities in the finance areas of company operations, I can state on behalf of CLP Healthcare Services, Inc. that the organization supports the CON application by Community Hospices of America – Tennessee, LLC, a Tennessee hospice, for the addition of Lincoln County to its hospice service area.

The estimated costs to complete the project are \$28,000. I, as the Chief Financial Officer of CLP Healthcare Services, Inc., affirm that Hospice Compassus has sufficient cash reserves to fund this project upon the approval of the CON application by the appropriate authorities in Tennessee.

Sincerely,

A handwritten signature in black ink, appearing to read 'Tony James', with a stylized flourish at the end.

Tony James  
Chief Financial Officer

**Attachment C, Economic Feasibility-10**  
**Income Statement / Balance Sheet**

## Hospice Compassus Income Statement and Balance Sheet

### Income Statement - 2012

Total Revenue	6,963,577
Salaries	3,249,257
Patient Care Expenses	1,454,049
General and Administrative Expenses	631,088
Total Expenses	5,334,394
Operating Income	1,629,183
Interest	90
Depreciation	27,920
Net Income	1,601,173

### Balance Sheet - December 2012

#### Assets

##### Fixed Assets

OFFICE FURN & EQUIP	108,749.59
COMPUTER SOFTWARE	1,673.60
LEASEHOLD IMPROVEMENTS	62,150.30
<b>Total Fixed Assets</b>	<b>172,573.49</b>

**Attachment C, Contribution to the  
Orderly Development of Health Care-7(c)  
CLIA License**

# Board for Licensing Health Care Facilities



State of

Tennessee

License No. 0000000334

## DEPARTMENT OF HEALTH

*This is to certify, that a license is hereby granted by the State Department of Health to*

*to conduct and maintain a*

COMMUNITY HOSPICES OF AMERICA - TENNESSEE, LLC

Hospice HOSPICE COMPASSUS-THE HIGHLAND RIM

Located at 1805 N. JACKSON STREET, SUITES 5 & 6, TULLAHOMA

County of COFFEE, Tennessee.

*This license shall expire* NOVEMBER 27, 2013, *and is subject*

*to the provisions of Chapter 11, Tennessee Code Annotated. This license shall not be assignable or transferable, and shall be subject to revocation at any time by the State Department of Health, for failure to comply with the laws of the State of Tennessee or the rules and regulations of the State Department of Health issued thereunder.*

*In Witness Whereof, we have hereunto set our hand and seal of the State this* 1ST *day of* JULY, 2012.



By

*Theresa J. Davis, MPH*

DIRECTOR, DIVISION OF HEALTH CARE FACILITIES

By

*M. J. Davis*

COMMISSIONER

CENTERS FOR MEDICARE & MEDICAID SERVICES  
CLINICAL LABORATORY IMPROVEMENT AMENDMENTS  
CERTIFICATE OF WAIVER

LABORATORY NAME AND ADDRESS

COMMUNITY HOSPICES OF AMERICA-TENNESSE  
D/B/A HOSPICE COMPASSUS-THE HIGHLAND R  
1805 N JACKSON ST STE 5-6  
TULLAHOMA, TN 37388

LABORATORY DIRECTOR  
TINA WATSON RN

CLIA ID NUMBER

44D1088122

EFFECTIVE DATE

08/18/2012

EXPIRATION DATE

08/17/2014

Pursuant to Section 553 of the Public Health Services Act (42 U.S.C. 263a) as revised by the Clinical Laboratory Improvement Amendments (CLIA), the above named laboratory located at the address shown hereon (and other approved locations) may accept human specimens for the purposes of performing laboratory examinations or procedures.

This certificate shall be valid until the expiration date above, but is subject to revocation, suspension, limitation, or other sanctions for violation of the Act or the regulations promulgated thereunder.



*Judith A. Yost*

Judith A. Yost, Director  
Division of Laboratory Services  
Survey and Certification Group  
Center for Medicaid and State Operations



**Attachment C, Contribution to the  
Orderly Development of Health Care-7(d)  
Survey**



STATE OF TENNESSEE  
**DEPARTMENT OF HEALTH**  
OFFICE OF HEALTH LICENSURE AND REGULATION  
EAST TENNESSEE REGION  
5904 LYONS VIEW PIKE, BLDG. 1  
KNOXVILLE, TENNESSEE 37919

April 23, 2010

Mr. Steven Yeatts, Administrator  
Hospice Compassus  
936 N Jackson Street  
Tullahoma TN 37388

Re: 44-1570, Lic #334

Dear Mr. Yeatts:

The East Tennessee Regional Office conducted a recertification survey at your facility on April 12-14, 2010. As a result of the survey, no deficient practice was found.

If our office may be of assistance to you, please feel free to call (865) 588-5656.

Sincerely,

A handwritten signature in cursive script that reads "Faye Vance/dt".

Faye Vance, R.N., B.S., M.S.N.  
Public Health Nurse Consultant Manager

FV/dt

Enclosure

DEPARTMENT OF HEALTH AND HUMAN SERVICES  
CENTERS FOR MEDICARE & MEDICAID SERVICES

PRINTED: 04/15/2010  
FORM APPROVED  
OMB NO. 0938-0391

STATEMENT OF DEFICIENCIES AND PLAN OF CORRECTION		(X1) PROVIDER/SUPPLIER/CLIA IDENTIFICATION NUMBER:  441570	(X2) MULTIPLE CONSTRUCTION A. BUILDING _____ B. WING _____		(X3) DATE SURVEY COMPLETED  04/14/2010
NAME OF PROVIDER OR SUPPLIER  HOSPICE COMPASSUS			STREET ADDRESS, CITY, STATE, ZIP CODE 936 N JACKSON STREET TULLAHOMA, TN 37388		
(X4) ID PREFIX TAG	SUMMARY STATEMENT OF DEFICIENCIES (EACH DEFICIENCY MUST BE PRECEDED BY FULL REGULATORY OR LSC IDENTIFYING INFORMATION)	ID PREFIX TAG	PROVIDER'S PLAN OF CORRECTION (EACH CORRECTIVE ACTION SHOULD BE CROSS-REFERENCED TO THE APPROPRIATE DEFICIENCY)	(X5) COMPLETION DATE	
L 000	INITIAL COMMENTS  During recertification survey conducted on April 12-14, 2010, at Hospice Compassus, no deficiencies were cited under 42 CFR PART 418.52 Requirements for Hospice.	L 000			
LABORATORY DIRECTOR'S OR PROVIDER/SUPPLIER REPRESENTATIVE'S SIGNATURE			TITLE		(X6) DATE

Any deficiency statement ending with an asterisk (\*) denotes a deficiency which the institution may be excused from correcting providing it is determined that other safeguards provide sufficient protection to the patients. (See Instructions.) Except for nursing homes, the findings stated above are disclosable 90 days following the date of survey whether or not a plan of correction is provided. For nursing homes, the above findings and plans of correction are disclosable 14 following the date these documents are made available to the facility. If deficiencies are cited, an approved plan of correction is requisite to continued program participation.

Division of Health Care Facilities

STATEMENT OF DEFICIENCIES AND PLAN OF CORRECTION		(X1) PROVIDER/SUPPLIER/CLIA IDENTIFICATION NUMBER:  TNP649334	(X2) MULTIPLE CONSTRUCTION A. BUILDING _____ B. WING _____		(X3) DATE SURVEY COMPLETED  04/14/2010
NAME OF PROVIDER OR SUPPLIER  HOSPICE COMPASSUS			STREET ADDRESS, CITY, STATE, ZIP CODE 936 N JACKSON STREET TULLAHOMA, TN 37388		
(X4) ID PREFIX TAG	SUMMARY STATEMENT OF DEFICIENCIES (EACH DEFICIENCY MUST BE PRECEDED BY FULL REGULATORY OR LSC IDENTIFYING INFORMATION)		ID PREFIX TAG	PROVIDER'S PLAN OF CORRECTION (EACH CORRECTIVE ACTION SHOULD BE CROSS-REFERENCED TO THE APPROPRIATE DEFICIENCY)	(X5) COMPLETE DATE
H 002	1200-8-27 No Deficiencies  During Licensure survey conducted on April 12-14, 2010, at Hospice Compassus, no deficiencies were cited under 1200-8-27 Standards for Home Care Organizations Providing Hospice Services.		H 002		

Division of Health Care Facilities

TITLE

(X6) DATE

LABORATORY DIRECTOR'S OR PROVIDER/SUPPLIER REPRESENTATIVE'S SIGNATURE

DATE FORM

6899

75T911

If continuation sheet 1 of 1

## **Proof of Publication**

2667566

WALLER LANSDEN DORTCH & DA

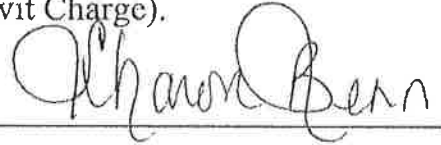
2013 MAR 18 AM 11 33  
ER.OF NEED

## STATE OF TENNESSEE HAMILTON COUNTY

Before me personally appeared Sharon Benn who being duly sworn, that she is the Legal Sales Representative of the "CHATTANOOGA TIMES FREE PRESS" and that the Legal Ad of which the attached is a true copy, has been published in the above said Newspaper on the following dates, to-wit:


March 10, 2013

And that there is due or has been paid the "CHATTANOOGA TIMES FREE PRESS" for publication of such notice the sum of \$262.38 Dollars. (Includes \$10.00 Affidavit Charge).

  
\_\_\_\_\_

Sworn to and subscribed before me, this 13th day of  
March 2013.



  
My Commission Expires 7/20/2016

**Chattanooga Times Free Press**

NOTIFICATION OF  
INTENT TO APPLY FOR A  
CERTIFICATE OF NEED

This is to provide official notice to the Health Services and Development Agency and all interested parties, in accordance with Tennessee Code Annotated, Title 68-11-1601 et seq., and the Rules of the Health Services and Development Agency, that:

Community Hospices of America-Tennessee, LLC d/b/a Hospice Compassus-The Highland Rim, a hospice provider, owned by Community Hospices of America-Tennessee, LLC with an ownership type of limited liability company, located at 1805 N. Jackson St. Suites 5 & 6, Tullahoma, TN 37388 and to be managed by itself, intends to file an application for a Certificate of Need to initiate hospice services in Lincoln County. Hospice Compassus is currently licensed in Bedford, Cannon, Coffee, Franklin, Giles, Grundy, Hickman, Lawrence, Lewis, Marshall, Maury, and Moore Counties. The cost of this project is expected to be approximately \$28,000.

The anticipated date of filing the application is March 15, 2013.

The contact person for this project is Kim Looney, Attorney, who may be reached at Waller Lansden Dorich & Davis, LLP, 511 Union Street, Suite 2700, Nashville, TN 37219, (615) 850-8722.

Upon written request by interested parties, a local Fact-Finding public hearing shall be conducted. Written requests for hearing should be sent to:

Health Services and  
Development Agency  
The Frost Building,  
Third Floor  
161 Rosa L. Parks  
Boulevard  
Nashville, Tennessee  
37243

The published Letter of Intent must contain the following statement pursuant to T.C.A. § 68-11-1607(c)(1). (A) Any health care institution wishing to oppose a Certificate of Need application must file a written notice with the Health Services and Development Agency no later than fifteen (15) days before the regularly scheduled Health Services and Development Agency meeting at which the application is originally scheduled; and (B) Any other person wishing to oppose the application must file written objection with the Health Services and Development Agency at or prior to the consideration of the application by the Agency.

FEB 18 AM 11 33



## State of Tennessee

### Health Services and Development Agency

Frost Building, 3<sup>rd</sup> Floor, 161 Rosa L. Parks Boulevard, Nashville, TN 37243

[www.tn.gov/hsda](http://www.tn.gov/hsda) Phone: 615-741-2364/Fax: 615-741-9884

---

May 1, 2013

Kim H. Looney, Esq.  
Waller Lansden Dortch & Davis LLP  
511 Union Street, Suite 2700  
Nashville, TN 37219

RE: Certificate of Need Application -- Community Hospices of America-Tennessee, LLC  
d/b/a Hospice Compassus-The Highland Rim - CN1303-010

Dear Ms. Looney:

This is to acknowledge the receipt of supplemental information to your application for a Certificate of Need for the initiation of hospice services in Lincoln County. Service area is Lincoln County. Estimated Project Cost is \$28,000.00.

Please be advised that your application is now considered to be complete by this office. Your application is being forwarded to the Tennessee Department of Health and/or its representative for review.

In accordance with Tennessee Code Annotated, §68-11-1601, et seq., as amended by Public Chapter 780, the 60-day review cycle for this project will begin on May 1, 2013. The first sixty (60) days of the cycle are assigned to the Department of Health, during which time a public hearing may be held on your application. You will be contacted by a representative from this Agency to establish the date, time and place of the hearing should one be requested. At the end of the sixty (60) day period, a written report from the Department of Health or its representative will be forwarded to this office for Agency review within the thirty (30)-day period immediately following. You will receive a copy of their findings. The Health Services and Development Agency will review your application on July 24, 2013.

---



Kim H. Looney, Esq.  
May 1, 2013  
Page 2

Any communication regarding projects under consideration by the Health Services and Development Agency shall be in accordance with T.C.A. § 68-11-1607(d):

- (1) No communications are permitted with the members of the agency once the Letter of Intent initiating the application process is filed with the agency. Communications between agency members and agency staff shall not be prohibited. Any communication received by an agency member from a person unrelated to the applicant or party opposing the application shall be reported to the Executive Director and a written summary of such communication shall be made part of the certificate of need file.
- (2) All communications between the contact person or legal counsel for the applicant and the Executive Director or agency staff after an application is deemed complete and placed in the review cycle are prohibited unless submitted in writing or confirmed in writing and made part of the certificate of need application file. Communications for the purposes of clarification of facts and issues that may arise after an application has been deemed complete and initiated by the Executive Director or agency staff are not prohibited.

Should you have questions or require additional information, please contact me.

Sincerely,



Melanie M. Hill  
Executive Director

MMH:MAB

cc: Dan Henderson, Director, Division of Health Statistics



## State of Tennessee


### Health Services and Development Agency

Frost Building, 3<sup>rd</sup> Floor, 161 Rosa L. Parks Boulevard, Nashville, TN 37243

[www.tn.gov/hsda](http://www.tn.gov/hsda) Phone: 615-741-2364/Fax: 615-741-9884

## **MEMORANDUM**

TO: Dan Henderson, Director  
Office of Policy, Planning and Assessment  
Division of Health Statistics  
Cordell Hull Building, 6th Floor  
425 Fifth Avenue North  
Nashville, Tennessee 37247

FROM:   
Melanie M. Hill  
Executive Director

DATE: May 1, 2013

RE: Certificate of Need Application  
Community Hospices of America-Tennessee, LLC d/b/a Hospice  
Compassus-The Highland Rim - CN1303-010

Please find enclosed an application for a Certificate of Need for the above-referenced project.

This application has undergone initial review by this office and has been deemed complete. It is being forwarded to your agency for a sixty (60) day review period to begin on May 1, 2013 and end on July 1, 2013.

Should there be any questions regarding this application or the review cycle, please contact this office.

MMH:MAB

Enclosure

cc: Kim H. Looney, Esq.



2013 MAR -8 PM 4:15

## LETTER OF INTENT TENNESSEE HEALTH SERVICES AND DEVELOPMENT AGENCY

The Publication of Intent is to be published in the Chattanooga Times Free Press which is a newspaper  
(Name of Newspaper)  
of general circulation in Lincoln, Tennessee, on or before March 10, 2013,  
(County) (Month / day) (Year)  
for one day.

=====

This is to provide official notice to the Health Services and Development Agency and all interested parties, in accordance with T.C.A. § 68-11-1601 *et seq.*, and the Rules of the Health Services and Development Agency, that:

Community Hospices of America-Tennessee, LLC d/b/a Hospice Compassus-The Highland Rim, Hospice  
(Name of Applicant) (Facility Type-Existing)  
owned by: Community Hospices of America-Tennessee, LLC with an ownership type of limited liability  
company

and to be managed by: itself intends to file an application for a Certificate of Need  
for [PROJECT DESCRIPTION BEGINS HERE]: to initiate hospice services in Lincoln County. Hospice Compassus is  
currently licensed in Bedford, Cannon, Coffee, Franklin, Giles, Grundy, Hickman, Lawrence, Lewis, Marshall,  
Maury, and Moore counties. The home office is located at 1805 N. Jackson St., Suites 5&6, Tullahoma, TN  
3788. The cost of this project is expected to be approximately \$28,000.

The anticipated date of filing the application is: March 15, 2013

The contact person for this project is Kim H. Looney Attorney  
(Contact Name) (Title)

who may be reached at: Waller Lansden Dortch & Davis LLP 511 Union Street, Suite 2700  
(Company Name) (Address)

Nashville TN 37219 615-850-8722  
(City) (State) (Zip Code) (Area Code / Phone Number)  
Kim H. Looney March 8, 2013 kim.looney@wallerlaw.com  
(Signature) (Date) (E-mail Address)

=====

The Letter of Intent must be **filed in triplicate and received between the first and the tenth day of the month**. If the last day for filing is a Saturday, Sunday or State Holiday, filing must occur on the preceding business day. File this form at the following address:

Health Services and Development Agency  
Andrew Jackson Building  
500 Deaderick Street, Suite 850  
Nashville, Tennessee 37243

=====

The published Letter of Intent must contain the following statement pursuant to T.C.A. § 68-11-1607(c)(1). (A) Any health care institution wishing to oppose a Certificate of Need application must file a written notice with the Health Services and Development Agency no later than fifteen (15) days before the regularly scheduled Health Services and Development Agency meeting at which the application is originally scheduled; and (B) Any other person wishing to oppose the application must file written objection with the Health Services and Development Agency at or prior to the consideration of the application by the Agency.

**Copy**

**Supplemental #1**

**Hospice Compassus**

**CN1303-010**

Kim Harvey Looney  
Waller, Linsden, Zottich & Davis, LP  
615.850.8722 direct  
kim.looney@wallerlaw.com

March 27, 2013

**VIA HAND DELIVERY**

Mark Farber  
Deputy Director  
Health Services and Development Agency  
Frost Building, 3<sup>rd</sup> Floor  
161 Rosa L. Parks Blvd.  
Nashville, TN 37243

RE: CN1303-010  
Community Hospices of America – Tennessee, LLC d/b/a Hospice Compassus – The  
Highland Rim

Dear Mark:

This letter will serve to follow up the filing of the captioned CON application, and is submitted as the supplemental response to your letter dated March 22, 2013, wherein additional information or clarification was requested.

---

**1. Section A, Applicant Profile, Item 4**

Please identify each member of Community Hospices of America-Tennessee, LLC (Hospice Compassus) and each member's percentage of ownership.

**Response:** Hospice Compassus is a wholly owned subsidiary of Community Hospices of America, Inc. (Delaware), which is a wholly owned subsidiary of CLP Healthcare Services, Inc. (Delaware).

Does Hospice Compassus own other health care institutions in Tennessee? If yes, please provide the names and locations of those health care institutions.

**Response:** No, Hospice Compassus does not own any other health care institutions in Tennessee.

**2. Section B, Project Description, Item I**

According to Department of Health licensure data and 2011 Joint Annual Report, there are currently three hospices serving Lincoln County. One of those hospices is Caris Healthcare based in Davidson County. Caris reported serving two pediatric (Age 0-17) patients in 2010, two pediatric patients in 2011, and the 2012 Provisional JAR reports no pediatric patients in 2012. Hospice Compassus reported serving 6 pediatric patients in 2010, 9 pediatric patients in 2011, the 2012 Provisional JAR reports 3 pediatric patients

Mark Farber  
March 27, 2013  
Page 2

2013 MAR 27 PM 2 27

in 2012. Please explain how Hospice Compassus pediatric services differs from those provided by Caris.

**Response:** It is Hospice Compassus' understanding that Caris Healthcare (Caris) does not provide hospice services to infants, toddlers or young children. It is possible that the two (2) pediatric patients Caris treated in 2010 and in 2011 were teenagers towards the upper end of the 0-17 age range for pediatric patients. Thus, although the persons served might technically be pediatric patients, the care for this upper age would be more similar to that of adults, rather than young children.

Hospice Compassus provides pediatric hospice services to all patients within that 0-17 age range, including young children, and has recently provided hospice services to a three (3) month old infant and an eight (8) year old child.

Additionally, Hospice Compassus has provided pediatric hospice services to four (4) patients thus far in 2013, already exceeding the number of pediatric patients it treated last year. Hospice Compassus is continuing to provide specialized pediatric hospice training to a growing number of its physicians and staff, and has developed referral relationships with St. Jude Children's Research Hospital and Vanderbilt Children's Medical Center among others. In fact, St. Jude recently referred two (2) patients to Hospice Compassus for specialized pediatric hospice care.

### 3. Section B. Project Description, Item 3. III.B.

What is the average driving time from Tullahoma to Fayetteville?

**Response:** The average driving time from Tullahoma to Fayetteville is 37 minutes and the distance is approximately 28 miles, according to Mapquest.

### 4. Section C, Need Item 1

Please discuss how the proposed project will relate to the 5 Principles for Achieving Better Health found in the State Health Plan.

**Response:** The 2011 State Health Plan sets forth the following Principles for Achieving Better Health. The applicant's discussion of how the proposed project relates to each Principle follows each enumerated Principle.

Principle 1: Healthy Lives - The applicant's proposed expansion into Lincoln County supports the goals of this Principle by improving the health and quality of life of the residents of Lincoln County in need of palliative or hospice services. The nature of hospice care is to improve the quality of life that the hospice patient has remaining. The nature of palliative care services is to improve the health of patients by managing the symptoms of their chronic illnesses and, by effectively managing their symptoms, also improving their health and the quality of their lives.

Principle 2: Access to Care - The applicant's provision of specialized hospice and palliative care services in Lincoln County significantly improves the access of residents



Mark Farber  
March 27, 2013  
Page 3

of Lincoln County to such services. Currently, no other hospice provider offers perinatal and pediatric hospice services, or palliative care services in Lincoln County. As discussed in greater detail below, the applicant's nurses and physicians have been trained and certified to offer these specialized services, whereas it is the applicant's understanding that no other hospice staff has received comparable training. Additionally, these specialized services are of the type that are generally offered only in metropolitan areas throughout the state, so for them to be available to residents of Lincoln County, a more rural area of the state, is particularly significant.

Principle 3: Economic Efficiencies - There is virtually no cost associated with the proposed project because the applicant is already fully operational and providing services to all of the Tennessee counties surrounding Lincoln County. Expansion to Lincoln County will be easily accomplished and is logical from both a provision of services and an operational standpoint. There will be no increase in costs to patients as a result of the expansion. In addition, as discussed in greater detail in the applicant's response to Question 5, CON Review Criteria 1(b), below, the applicant provides a significantly higher amount of charity care than the existing hospice providers in Lincoln County, giving indigent residents of Lincoln County greater access to care, regardless of their ability to pay.

Principle 4: Quality of Care - The applicant will provide residents of Lincoln County in need of general or specialized hospice services, or palliative care services, with a high quality of care regardless of their ability to pay.

In addition, a continuum of care which includes utilization of hospice services by hospitals outside Lincoln County who are treating patients from Lincoln County, generally reduces overall health care costs because lengths of stay are shorter and readmissions may be prevented. Hospitals will no longer receive reimbursement for certain readmissions. Therefore, the addition of such services to the service area promotes the orderly development of health care and the basic principles of health care reform. The applicant's services will also provide comfort and convenience to hospice patients who will be able to receive services at home rather than in a hospital setting.

Principle 5: Health Care Workforce - Three (3) out of four (4) of the applicant's physicians have received certification for the provision of hospice and palliative care services through the American Academy of Hospice and Palliative Medicine, a certification not held by employees of any other hospice provider in Lincoln County. In addition, all of the applicant's registered nurses have received End-of-Life Nursing Education Consortium (ELNEC) training and certification. ELNEC is a national education initiative to improve palliative care and focuses on pain management, symptom control, ethical/legal issues, and other core areas. All of the applicant's RNs are also in the process of receiving ELNEC training for pediatric palliative and hospice care and will complete their training in less than a year.

Additionally, the applicant participates in the nurse training programs operated by Motlow State Community College and Columbia State Community College.

Mark Farber  
March 27, 2013  
Page 4

2013 MAR 27 PM 2 27

**5. Section C., Need, Item 1.a. (Service Specific Criteria-Hospice Services) CON Review Criteria 1a.-c.**

Your response to this item is noted but does not specifically address the absence of service scenarios described in Items 1a.-c. Please specifically address these items individually.

**Response:** The applicant must document the existence of at least one of the following three CON Review Criteria in order to demonstrate a need for additional hospice services in Lincoln County:

- A. Absence of services by a hospice certified for Medicaid and Medicare, and evidence that the applicant will provide Medicaid- and Medicare-certified hospice in the area; or
- B. Absence of services by a hospice that serves patients regardless of the patient's ability to pay, and evidence that the applicant will provide services for patients regardless of ability to pay; or
- C. Evidence that existing programs fail to meet the demand for hospice services for persons who have terminal cancer or other qualifying terminal illness.

The applicant meets Criteria B and C and partially meets Criteria A.

Below is the applicant's response to each of the CON Review Criteria:

CON Review Criteria 1(A): According to their respective Joint Annual Reports, Avalon Hospice, Caris Healthcare and Lincoln Medical Home Health and Hospice each participate in the Medicare and Medicaid programs. Hospice Compassus also participates in the Medicare and Medicaid programs, and will continue to do so if its application for expansion to Lincoln County is approved. While the other hospice providers are certified for Medicare and Medicaid, they do not necessarily provide the same specialized services that Hospice Compassus proposes to provide.

CON Review Criteria 1(B): Avalon Hospice, Caris Healthcare and Lincoln Medical Home Health and Hospice each reported charity care expenditures on their 2012 Joint Annual Report of Hospice, as did Hospice Compassus. Hospice Compassus provides a larger amount of charity care than the other three combined. Avalon Hospice's charity care spending in 2012 was equivalent to 0.52% of its total net revenue, Caris Healthcare's charity care spending in 2012 was equivalent to 0.23% of its total net revenue, and Lincoln Medical Home Health and Hospice's charity care spending in 2012 was equivalent to 0.77% of its total net revenue.

In contrast, Hospice Compassus' charity care spending in 2012 was equivalent to 2.71% of its total net revenue, almost 12 times that of Caris, almost 5 ½ times that of Avalon, and almost 4 times that of Lincoln Medical Home Health and Hospice. Hospice Compassus feels strongly about providing quality hospice services to any patient in need, regardless of the patient's ability to pay, as is clear from the amount of care provided to



Mark Farber  
March 27, 2013  
Page 5

indigent patients through Hospice Compassus' charity care program. In accordance with its charity care program, Hospice Compassus will provide quality hospice services to all Lincoln County patients in need, regardless of their ability to pay.

CON Review Criteria 1(C): The existing hospice programs in Lincoln County do not provide perinatal and pediatric hospice services, or palliative care hospice services. Hospice Compassus offers these services, as discussed in detail below, and receives referrals for Lincoln County residents in need of these services who cannot get them from any other provider currently licensed to provide services in Lincoln County. Thus, there is a demand in Lincoln County for specialized hospice services that is not currently being met.

Hospice Compassus routinely receives requests from providers serving Lincoln County patients for both general and specialized hospice services. The applicant's specialized hospice services will be of particular value to residents of Lincoln County because they are currently unavailable in that service area.

The applicant has had great success with its specialized hospice services throughout the rest of its service area. It works closely with Vanderbilt Children's Hospital, St. Jude Children's Research Hospital, Huntsville Hospital, and others, and has developed a network of providers that work together to improve the quality of life of hospice patients and their families by providing them with high quality care while reducing unnecessary travel, and with counseling and support throughout a difficult process.

The applicant's perinatal and pediatric hospice services complement each other and, through these services, the applicant is able to provide support and care to families going through devastating circumstances. Through its perinatal program, the applicant will attend physician appointments with an expectant mother whose baby is expected to live only for a short time after birth, or in some cases may have already died, during the last trimester of her pregnancy. The applicant provides grief counseling and support to the expectant mother, as well as to the entire family, including siblings. The applicant works with the family to formulate a plan to implement upon the baby's birth that includes both a clinical aspect, i.e. the types of comfort that can be medically provided to the baby, and a personal aspect, i.e. the types of mementos the family would like to have, such as the baby's handprints and footprints. This service provides hospice care in the form of counseling, and comfort to families going through very difficult circumstances. A general hospice program does not replicate these services.

The applicant's recently established pediatric program is already servicing patients and, like the applicant's perinatal program, is providing an invaluable service to patients and their families. This program is continuing to grow as an increasing number of the applicant's physicians and staff receive certification in the provision of pediatric palliative and hospice services and as more referral sources become aware of the availability of these services. The applicant's pediatric hospice patients have thus far included children aged three (3) months through nine (9) years of age who suffer from cancer, genetic disorders, and other fatal illnesses. At least two (2) of these pediatric hospice patients are indigent. In order to make obtaining care as easy as possible for families with children in hospice, the applicant is working with providers, including

Mark Farber  
March 27, 2013  
Page 6

Huntsville Hospital in Huntsville, Alabama. Huntsville Hospital is affiliated with St. Jude Children's Research Hospital, making it possible for a St. Jude cancer patient who is receiving hospice services from the applicant to receive any additional necessary medical care at Huntsville Hospital rather than having to travel back to St. Jude. This is just one example of the type of relationships the applicant has developed with other providers that allows them to lessen the burden on patients and their families while providing them with the highest quality of care.

Currently, pediatric hospice patients from Lincoln County must either stay in the hospital or receive services from a home health agency because there is no pediatric hospice program available. Home health agencies are not appropriate for these patients because the patients and their families do not receive the bereavement and end of life support that they need, which they would receive through a hospice program. Generally, pediatric hospice programs operate only in metropolitan areas. The applicant is the only pediatric hospice program that provides services to residents of outlying or rural areas of Tennessee.

The applicant's palliative care program is of significant value to those residents of Lincoln County who are suffering from chronic illnesses such as congestive heart failure or COPD. Because the life expectancy of these patients is generally greater than six (6) months, they are not appropriate candidates for the applicant's hospice program but are still in need of quality care. For this reason, the applicant established its palliative care program through which it sees patients suffering from chronic illness in a consultative model and works with them to treat and manage their symptoms at home. The applicant recently applied for a Medicare Part B palliative care license, a unique certification that sets it apart from most other hospice providers.

The applicant's hospice and palliative care services will also assist hospitals in reducing the number of hospital admissions and days, ICU admissions and days, 30 day hospital readmissions and in-hospital-deaths, as supported by a study from Mount Sinai's Icahn School of Medicine, published in the March 2013 edition of *Health Affairs*. The initiation of this service should have a significant positive impact on hospital reimbursement, alleviating the negative impact on reimbursement that results from extended stays and frequent readmissions.

Lincoln County residents currently do not have access to any comparable specialized hospice and palliative care programs. Thus, the applicant seeks approval of its request to provide hospice services in Lincoln County.

Is the palliative care program a separate program from hospice services? Could the palliative care program be offered in Lincoln County without a hospice license?

**Response:** The palliative care program is reimbursed under Medicare Part B, while hospice services are reimbursed at a Medicare per diem rate. The palliative care program could technically be offered in Lincoln County without a hospice license, but it would not make sense from a programmatic or operational standpoint to offer palliative services without also offering hospice services.



Mark Farber  
March 27, 2013  
Page 7

Palliative care programs must operate at a high volume just to break even. For that reason, they are generally operated in conjunction with a hospice or hospital. The applicant is unaware of any independently operating palliative care programs. In order for palliative care to be financially viable, it generally must be provided by a hospital or hospice program.

The applicant's palliative care program utilizes a consultative model by which the applicant's physicians and nurses provide symptom management services to patients with chronic illnesses. The vast majority of these patients will ultimately be in need of hospice services, and the palliative care program aids in the transition from palliative care to hospice care for these patients and their families. It would not be financially feasible for the applicant to offer its palliative care program in Lincoln County without also operating its hospice program there.

**6. Section C., Need, Item 1.a. (Service Specific Criteria-Hospice Services) Exception to the Hospice Formula 1.-3.**

Your response to this item is noted but does not specially address the three possible exceptions. Please specifically address each of these exceptions individually.

**Response:** The applicant must demonstrate that circumstances exist to justify the approval of its provision of hospice services in Lincoln County, and must document one or more of the following exceptions:

1. That a specific terminally ill population is not being served;
2. That a county or counties within the service area of a licensed hospice program are not being served; and
3. That there are persons referred to hospice programs who are not being admitted within 48 hours (excluding cases where a later admission date has been requested). The applicant shall indicate the number of persons.

The applicant feels that this proposed project arguably meets all three of these exceptions.

Below is the applicant's response to each of these exceptions:

1. Residents of Lincoln County that are in need of perinatal and pediatric hospice services or palliative care services are currently not being served because no other hospice provider licensed in Lincoln County currently provides those services. Hospice Compassus routinely receives requests for both general and specialized hospice services for residents of Lincoln County that it is unable to meet because it is not licensed in that county. As discussed in detail in the applicant's response to Question 5, above, the applicant is able to offer these specialized services to patients in need, regardless of the patient's ability to pay. If the applicant's application to provide hospice services in Lincoln County is not approved, these patients will not have access to the specialized hospice services offered by Hospice Compassus.

Mark Farber  
March 27, 2013  
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2. Lincoln County is the service area that the applicant is seeking to add. There are currently three (3) licensed hospice providers providing services in Lincoln County, but none of these providers offer the specialized hospice services offered by the applicant. It is the applicant's understanding that no other hospice provider in Lincoln County has physicians that are Hospice and Palliative Care certified. In contrast, three (3) of the applicant's four (4) physicians are Hospice and Palliative Care certified through the American Academy of Hospice and Palliative Medicine. Obtaining this certification now requires a one (1) year residency by physicians. Thus, it is significant that all but one (1) of the applicant's physicians hold this certification and that the existing hospice providers in Lincoln County have no physicians that hold this certification.

3. The existing hospice providers in Lincoln County generally operate during normal business hours, Monday-Friday, and do not admit hospice patients at night or on the weekend. Therefore, depending on when the person presents for hospice, it could be longer than 48 hours before someone would be admitted. The applicant does not have information on any specific number of such persons. The applicant admits patients 24 hours a day, 7 days a week, so there is never a time when a patient in need of hospice care will be unable to receive services from the applicant within a reasonable timeframe. In 2012, almost 6% of the applicant's total admissions were from admissions during the weekend.

#### 7. Section C, Need, Item 4.A

Your response to this item is noted. Please complete the following chart:

Variable	Lincoln	Tennessee
Current Year (CY), Age Group, 0-19	8,789	1,674,844
Projected Year (PY), Age Group, 0-19	9,094	1,718,413
Age Group, 0-19, % Change	3.4%	2.5%
Age Group, 0-19, % Total (PY)	25.9%	25.9%
CY, Age Group, 65+	5,865	904,587
PY, Age Group, 65+	6,404	1,015,339
Age Group, 65+ % Change	8.4%	10.9%
Age Group, 65+ % Total (PY)	18.24%	15.33%
CY, Total Population	34,309	6,414,297
PY, Total Population	35,103	6,623,114
Total Pop. % Change	2.3%	3.2%
TennCare Enrollees (June 2012)	6,462	1,203,220
TennCare Enrollees as a % of Total Population	18.8%	18.8%
Median Age	41.5	37.8
Median Household Income	\$41,454	\$43,989
Population % Below Poverty Level	16.1%	16.9%

As the chart above shows, Lincoln County has a larger percentage of the populated aged 65+ for 2017 (18.24%) compared to the State overall (15.33%). The median age of 41.5

Mark Farber  
March 27, 2013  
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is older than that of the State at 37.8; the median household income is less at \$41,454 versus \$43,989; and the TennCare population percentage is the same at 18.8%.

Please also compare the 2011 cancer and non-cancer death rates of Lincoln County to the rates for Tennessee overall.

**Response:** As is illustrated in the chart below, the percentage of the total population of Lincoln County that died from cancer or from non-cancer, non-trauma causes is 1.1%. The percentage of the total population of Tennessee that died from cancer or from non-cancer, non-trauma causes is 0.9%. Thus, the death rate from cancer or from non-cancer, non-trauma causes is higher in Lincoln County than it is for the state of Tennessee, further indicating a need for hospice services in that area.

	<b>Lincoln County</b>	<b>Tennessee</b>
<b>2011 Cancer Deaths</b>	81	13,461
<b>2011 Non-Cancer Non-Trauma Deaths</b>	278	54,737
<b>2011 Population</b>	33,895	6,311,234
<b>Percent of Total Population That Died from Cancer/Non-Trauma</b>	1.1%	0.9%

Source: Tennessee Department of Health, Health Statistics

## 8. Section C, Need, Item 5

The 2010-2012 utilization tables for the existing hospice agencies serving Lincoln County are noted. Please duplicate the patient by age cohort table for total patients served by these three hospice agencies.

**Response:** Please refer to the chart below.

### **TOTAL HOSPICE PATIENTS SERVED 2010-2012**

	<b>2010</b>					<b>2011</b>					<b>2012</b>				
<b>Provider</b>	<b>Age (in years)</b>					<b>Age (in years)</b>					<b>Age (in years)</b>				
	0-17	18-64	65-74	75+	Total	0-17	18-64	65-74	75+	Total	0-17	18-64	65-74	75+	Total
Avalon Hospice*	0	112	116	358	586	0	191	194	610	995	-	-	-	-	-
Caris Healthcare	2	114	129	580	825	2	133	133	544	812	0	119	141	570	830
Lincoln Medical Home Health and Hospice	0	13	21	27	61	0	10	21	29	60	0	14	23	33	70

Source: Tennessee Department of Health, Health Statistics, Joint Annual Reports of Hospice for each applicable facility and year. (2010-2012)

\*2012 data unavailable at the time this application was prepared.

Mark Farber  
March 27, 2013  
Page 10

**9. Section C, Need, Item 6.**

Your response to this item is noted. Please provide letters from area discharge planners, physicians, and other referral sources indicating an inability to locate hospice services for Lincoln County residents particularly patients requiring palliative care and pediatric/perinatal care.

**Response:** Letters of support for this project are included as Attachment C-Need-6.

Please explain why the applicant projects an ALOS of 36 days for Lincoln County residents when its 2012 JAR reports an overall ALOS of 55 days.

**Response:** The applicant projected an ALOS of 36 days for the first two (2) years of operation in Lincoln County based on the fact that its program would be newly operational in Lincoln County and, as such, it expects that it would receive mainly short-term patients. Additionally, Lincoln Medical owns two of the nursing homes in the county in addition to the hospital and the home health and hospice. Referrals from a nursing home for hospice care generally occur earlier in the cycle for hospice services and are thus usually for longer lengths of stay. The applicant does not anticipate any impact on the referral pattern between the hospital and its hospice. The applicant believes that an ALOS of 36 days for the first two (2) years of operation is reasonable based on its status as a new provider in the area.

**10. Section C., Economic Feasibility, Item 10**

Your response to this item is noted. Please provide the most recent audited financial statements with accompanying notes for Community Hospices of America-Tennessee, LLC and CLP Healthcare Services, Inc.

**Response:** The applicant provided the latest balance sheet and income statement for Community Hospices of America-Tennessee, LLC in the originally filed application. The applicant does not have audited financials. CLP Healthcare Services, Inc. is a privately held company and to furnish such financial information in a public forum would provide highly sensitive financial information to competitors and put it at a competitive disadvantage. This project is dependent on the financial viability of the applicant and not the parent company. The financial information furnished demonstrates the financial viability of the applicant and its ability to complete the proposed project.

**11. Section C., Orderly Development, Item 2**

Please complete the following chart to help in the assessment of what impact the proposed project may have on existing hospice providers in the service area.

Mark Farber  
March 27, 2013  
Page 11

Agency	2011 Service Area Total	Grand Total	Service Area Total as % of Total Service Area Patients (Market Share)	Service Area Total as % of Grand Total (Patient Origin)
Avalon-Davidson	46	995	39.66%	4.62%
Caris-Davidson	10	812	8.62%	1.23%
Lincoln Medical	60	60	51.72%	100%

The information in the above chart demonstrates that the number of patients Hospice Compassus projects serving in Lincoln County would have only a minimal effect on Avalon and Caris because Lincoln County is such a small portion of their business. It should also not have any effect on Lincoln Medical because the majority of its patients more than likely come from its hospital and nursing homes and Hospice Compassus could not have a significant impact on these referrals even if it wanted to, which it does not.

As stated in the application, there is an unmet need for hospice services in Lincoln County. The current need formula, established in 2000, seriously underestimates the existing need for hospice services. Hospice care is a fairly new phenomenon. Between 2000, when the current hospice guidelines were established and 2007, hospice utilization in the United States increased 68%, according to the National Health Statistics Reports, Number 38, April 27, 2011. According to the 2012 Edition of the NHPCO Facts and Figures & Hospice Care in America, utilization for hospice increased another 17% between 2007 and 2011. Applying a use rate based on utilization of hospice services in the United States in 2011, to the 2017 population estimate of 35,103 in Lincoln County, a need for hospice for 186 patients exists, significantly more than the 116 patients that received hospice services in 2011. This result is a net need for 70 patients in 2017, more than twice the number the applicant projects serving.

It is also the understanding of the applicant that under the new proposed hospice need formula for Tennessee, a need for services for a significant number of patients exists as well.

## 12. Section C., Orderly Development, Item 3

Do the RN employees residing in Lincoln County have special training in providing palliative care and pediatric/perinatal care? If yes please discuss this training and any specific certifications received.

**Response:** All of the applicant's RNs recently completed End-of-Life Nursing Education Consortium (ELNEC) training, which is a national education initiative to improve palliative care. This special training focuses on pain management, symptom control, ethical/legal issues, and other core areas.



waller

**SUPPLEMENTAL- # 1**

**March 27, 2013  
2:24 pm**

Mark Farber  
March 27, 2013  
Page 12

Additionally, all of the applicant's RNs are currently in the process of receiving ELNEC training for pediatric palliative and hospice care and will complete their training in a period of months.

Thus, all of the RNs employed by the applicant, including those who reside in Lincoln County, are ELNEC trained and certified for palliative care, and will soon be ELNEC trained and certified for pediatric palliative and hospice care.

Should you have any questions or require additional information, please call me at 850-8722

Sincerely,



Kim H. Looney

KHL:lg  
Enclosures



**AFFIDAVIT**


2013 MAR 27 PM 2 27

STATE OF TENNESSEE

COUNTY OF DAVIDSON

NAME OF FACILITY: COMMUNITY HOSPICES OF AMERICA-TENNESSEE, LLC d/b/a  
HOSPICE COMPASSUS - THE HIGHLAND RIM CN1303-010

I, KIM H. LOONEY, after first being duly sworn, state under oath that I am the applicant named in this Certificate of Need application or the lawful agent thereof, that I have reviewed all of the supplemental information submitted herewith, and that it is true, accurate, and complete.

  
Signature/Title

Sworn to and subscribed before me, a Notary Public, this the 27th day of March, 2013, witness my hand at office in the County of Davidson, State of Tennessee.

  
NOTARY PUBLIC

My commission expires January 6, 2015.

HF-0043

Revised 7/02



My Commission Expires JAN. 6, 2015

**Copy**

**Supplemental #2**

**Hospice Compassus**

**CN1303-010**

Kim Harvey Looney  
Waller Lansden Dortch & Davis LLP  
615.859.8721 direct  
kim.looney@wallerlaw.com  
2013 APR 29 PM 3 46

April 29, 2013

**VIA HAND DELIVERY**

Mark Farber  
Deputy Director  
Health Services and Development Agency  
Frost Building, 3<sup>rd</sup> Floor  
161 Rosa L. Parks Blvd.  
Nashville, TN 37243

RE: CN1303-010  
Community Hospices of America – Tennessee, LLC d/b/a Hospice Compassus –  
The Highland Rim

Dear Mark:

This letter is submitted as the supplemental response to your letter dated March 27, 2013 wherein additional information or clarification was requested regarding the above-referenced CON application.

---

**1. Section C, Need, Item 1.a. (Service Specific Criteria-Hospice Services) CON Review Criteria 1a.-c.**

Is palliative care services provided by area home health agencies?

**Response:** The applicant cannot say with certainty whether area home health agencies are providing palliative care services or not. However, the services provided by the applicant, as a hospice provider, are fundamentally different from the palliative care services provided by home health agencies.

The expectation of home health services is that the patient's condition will improve, and the ultimate goal, of course, is improvement such that home health services are no longer needed. The goal of the applicant's palliative care program is to improve the quality of life of patients suffering from chronic illnesses through maintenance and, to the extent possible, improvement of their conditions. The vast majority of the time, these patients are suffering from conditions that will never improve to the extent that they no longer require palliative care services. Rather, these patients' conditions generally deteriorate such that they ultimately require hospice services.

When a palliative care patient's condition deteriorates to the extent that the patient requires hospice services, the applicant will assist the patient and the patient's family through the difficult transition from palliative care to hospice care. This greatly reduces stress on the patient because the patient will continue to receive services in the same setting, from health care providers that he or she is familiar with.

Mark Farber  
April 29, 2013  
Page 2

The goal of palliative care services that area home health agencies may be providing is treatment until the patient improves enough that home health services are no longer needed, whereas the goal of the applicant's palliative care program is to maintain its patients' chronic conditions, improve their quality of life, and assist them with the transition to hospice care. No other provider is offering this type of palliative care program to residents of Lincoln County.

**2. Section C, Need, Item 6.**

Your response to this item is noted. HSDA staff awaits letters from area discharge planners, physicians, and other referral sources indicating an inability to locate hospice services for Lincoln County residents particularly patients requiring palliative care and pediatric/perinatal care.

**Response:** Please find enclosed two (2) letters of support for the proposed project. The first letter is from the Medical Director of Vanderbilt Medical Center's Palliative Care Program, a referral source from which the applicant regularly receives patients. The second letter is from the Pediatric Palliative Care Coordinator at Vanderbilt Children's Hospital, which refers many of its most vulnerable patients to the applicant.

**3. Section C, Economic Feasibility, Item 10**

Your response to this item is noted. The Balance Sheet presented only provides information on fixed assets. Please provide a total Balance sheet that identifies current assets, fixed assets and total assets and compares to current liabilities, long-term liabilities, total liabilities, and member equity, if applicable.

**Response:** Please find enclosed the applicant's consolidated unaudited preliminary balance sheet for the applicant's parent company, CLP, as well as a quarterly cash balance letter from Regions Bank reflecting adequate cash on hand to fund the nominal expense associated with the proposed project.

Should you have any questions or require additional information, please call me at (615) 850-8722.

Sincerely,



Kim H. Looney  
Waller Lansden Dortch & Davis, LLP

KHL:lg  
Enclosures

**April 29, 2013  
3:46 pm**



**Vanderbilt Medical Center**

Palliative Care

2013 APR 29 PM 4 01

To whom it may concern,

I am the medical director for the Palliative Care Program at Vanderbilt University. Our medical center has worked with Hospice Compassus over the last several years. We have been very impressed with the care they have provided for our patients and their families. I am writing in support of their application to expand hospice services into Lincoln County. I believe having their services available in Lincoln County would allow greater access to needed hospice services for the county.

Please do not hesitate to contact me should you have questions.

Best Regards,

A handwritten signature in black ink, appearing to read 'Mohana Karlekar'.

Mohana Karlekar, MD, FACP

Medical Director Palliative Care

March 29, 2013

To Whom It May Concern:

I am the Pediatric Palliative Care Coordinator for Monroe Carell Jr. Children's Hospital at Vanderbilt in Nashville, TN. We have been fortunate to refer some of our most vulnerable patients to Compassus Hospice and our palliative care service has had an excellent relationship with them. When a child is able to go home with hospice it helps diminish the need for protracted hospital stays and allows family and friends to be with their loved one (child) in the most comfortable setting.

I look forward to working with Compassus in the future and support the expansion of their service offerings in Tennessee. Please accept my recommendation for the extended needs and coverage in Lincoln County.

Tisha D. Longo, LMSW  
Pediatric Palliative Care Coordinator

Vanderbilt Children's Hospital

615.585.6106

## Balance Sheet Highlights

	December 31	
	2012	2011
<b>Assets</b>		
Current assets:		
Cash and cash equivalents	\$ 6,942,663	\$ 13,182,631
Accounts receivable from patient services	17,517,071	14,316,569
Other current assets	4,096,513	2,160,473
Total current assets	28,556,247	29,659,673
Property and equipment, net	6,205,013	5,754,705
Goodwill	137,073,587	126,956,637
Intangible assets, net	2,006,515	2,423,766
Other assets	1,277,933	1,635,078
Total assets	<u>\$ 175,119,295</u>	<u>\$ 166,429,859</u>
<b>Liabilities and stockholders' equity</b>		
Current liabilities	21,618,474	15,669,827
Long-term debt, less current maturities	69,734,208	74,570,609
Other noncurrent liabilities	1,469,841	1,469,841
Total liabilities	92,822,523	91,710,277
Total stockholders' equity	82,296,772	74,719,582
Total liabilities and stockholders' equity	<u>\$ 175,119,295</u>	<u>\$ 166,429,859</u>

**April 29, 2013  
3:46 pm**

2013 APR 29 PM 4 01



April 25, 2013

Community Hospices of America, Inc.  
Kerry Massey  
Vice President & Corporate Controller  
12 Cadillac Dr. Suite 360  
Brentwood, TN 37027-5361

To Whom It May Concern:

Mr. Massey:

Per your request please find below the 2012 month ending cash balances:

March 2012	\$3,314,650.87
June 2012	\$3,618,584.18
September 2012	\$3,991,274.95
December 2012	\$8,166,019.79

Please let me know if you have any questions or need further information.

Thank you,

A handwritten signature in cursive script that reads "Karen Crowe".

Karen Crowe  
Relationship Banking Assistant  
Commercial Banking Officer  
Phone: 205-326-5663





## State of Tennessee

### Health Services and Development Agency

Frost Building, 3<sup>rd</sup> Floor, 161 Rosa L. Parks Boulevard, Nashville, TN 37243

[www.tn.gov/hsda](http://www.tn.gov/hsda) Phone: 615-741-2364/Fax: 615-741-9884

March 22, 2013

Kim H. Looney  
Attorney  
Waller Lansden Dortch & Davis, LLP  
511 Union Street, Suite 2700  
Nashville, TN 37219

RE: CN1303-010  
Community Hospices of America – Tennessee, LLC d/b/a Hospice Compassus – The  
Highland Rim

Dear Ms. Looney:

This will acknowledge our March 15, 2013 receipt of your application for a Certificate of Need to initiate hospice services in Lincoln County. Hospice Compassus is currently licensed in Bedford, Cannon, Coffee, Franklin, Giles, Grundy, Hickman, Lawrence, Lewis, Marshall, Maury, and Moore Counties.

Several items were found which need clarification or additional discussion. Please review the list of questions below and address them as indicated. The questions have been keyed to the application form for your convenience. I should emphasize that an application cannot be deemed complete and the review cycle begun until all questions have been answered and furnished to this office.

**Please submit responses in triplicate by 12:00 noon, Wednesday March 27, 2013.** If the supplemental information requested in this letter is not submitted by or before this time, then consideration of this application may be delayed into a later review cycle.

---

#### 1. Section A, Applicant Profile, Item 4

Please identify each member of Community Hospices of America-Tennessee, LLC (Compassus) and each member's percentage of ownership.

Does Compassus own other health care institutions in Tennessee? If yes, please provide the names and locations of those health care institutions.

**2. Section B, Project Description, Item I**

According to Department of Health licensure data and 2011 Joint Annual Report, there are currently three hospices serving Lincoln County. One of those hospices is Caris Healthcare based in Davidson County. Caris reported serving two pediatric (Age 0-17) patients in 2010, two pediatric patients in 2011, and the 2012 Provisional JAR reports no pediatric patients in 2012. Compassus reported serving 6 pediatric patients in 2010, 9 pediatric patients in 2011, the 2012 Provisional JAR reports 3 pediatric patients in 2012. Please explain how Compassus pediatric services differs from those provided by Caris.

**3. Section B. Project Description, Item 3. III.B.**

What is the average driving time from Tullahoma to Fayetteville?

**4. Section C, Need Item 1**

Please discuss how the proposed project will relate to the 5 Principles for Achieving Better Health found in the State Health Plan.

**5. Section C., Need, Item 1.a. (Service Specific Criteria-Hospice Services) CON Review Criteria 1a.-c.**

Your response to this item is noted but does not specifically address the absence of service scenarios described in Items 1a.-c. Please specifically address these items individually.

Is the palliative care program a separate program from hospice services? Could the palliative care program be offered in Lincoln County without a hospice license?

**6. Section C., Need, Item 1.a. (Service Specific Criteria-Hospice Services) Exception to the Hospice Formula 1.-3.**

Your response to this item is noted but does not specially address the three possible exceptions. Please specifically address each of these exceptions individually.

**7. Section C, Need, Item 4.A**

Your response to this item is noted. Please complete the following chart:

Variable	Lincoln	Tennessee
Current Year (CY), Age Group, 0-19		
Projected Year (PY), Age Group, 0-19		
Age Group, 0-19, % Change		
Age Group, 0-19, % Total (PY)		
CY, Age Group, 65+		
PY, Age Group, 65+		
Age Group, 65+ % Change		
Age Group, 65+ % Total (PY)		
CY, Total Population		
PY, Total Population		
Total Pop. % Change		
TennCare Enrollees		
TennCare Enrollees as a % of Total Population		
Median Age		
Median Household Income		
Population % Below Poverty Level		

Please also compare the 2011 cancer and non-cancer death rates of Lincoln County to the rates for Tennessee overall.

**8. Section C, Need, Item 5**

The 2010-2012 utilization tables for the existing hospice agencies serving Lincoln County are noted. Please duplicate the patient by age cohort table for total patients served by these three hospice agencies.

**9. Section C, Need, Item 6.**

Your response to this item is noted. Please provide letters from area discharge planners, physicians, and other referral sources indicating an inability to locate hospice services for Lincoln County residents particularly patients requiring palliative care and pediatric/perinatal care.

Please explain why the applicant projects an ALOS of 36 days for Lincoln County residents when its 2012 JAR reports an overall ALOS of 55 days.

**10. Section C., Economic Feasibility, Item 10**

Your response to this item is noted. Please provide the most recent audited financial statements with accompanying notes for Community Hospices of America-Tennessee, LLC and CLP Healthcare Services, Inc.

### 11. Section C., Orderly Development, Item 2

Please complete the following chart to help in the assessment of what impact the proposed project may have on existing hospice providers in the service area.

Agency	2011 Service Area Total	Grand Total	Service Area Total as % of Total Service Area Patients (Market Share)	Service Area Total as % of Grand Total (Patient Origin)
Avalon-Davidson				
Caris-Davidson				
Lincoln Medical				

### 12. Section C., Orderly Development, Item 3

Do the RN employees residing in Lincoln County have special training in providing palliative care and pediatric/perinatal care? If yes please discuss this training and any specific certifications received.

In accordance with Tennessee Code Annotated, §68-11-1607(c) (5), "...If an application is not deemed complete within sixty (60) days after written notification is given to the applicant by the agency staff that the application is deemed incomplete, the application shall be deemed void." **For this application the sixtieth (60<sup>th</sup>) day after written notification is May 21, 2013. If this application is not deemed complete by this date, the application will be deemed void.** Agency Rule 0720-10-.03(4) (d) (2) indicates that "Failure of the applicant to meet this deadline will result in the application being considered withdrawn and returned to the contact person. Re-submittal of the application must be accomplished in accordance with Rule 0720-10-.03 and requires an additional filing fee." Please note that supplemental information must be submitted timely for the application to be deemed complete prior to the beginning date of the review cycle which the applicant intends to enter, even if that time is less than the sixty (60) days allowed by the statute. The supplemental information must be submitted with the enclosed affidavit, which shall be executed and notarized; please attach the notarized affidavit to the supplemental information.

If all supplemental information is not received and the application officially deemed complete prior to the beginning of the next review cycle, then consideration of the application could be delayed into a later review cycle. The review cycle for each application shall begin on the first day of the month after the application has been deemed complete by the staff of the Health Services and Development Agency.

Any communication regarding projects under consideration by the Health Services and Development Agency shall be in accordance with T.C.A. § 68-11-1607(d):

Ms. Kim Looney

March 22, 2013

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- (1) No communications are permitted with the members of the agency once the Letter of Intent initiating the application process is filed with the agency. Communications between agency members and agency staff shall not be prohibited. Any communication received by an agency member from a person unrelated to the applicant or party opposing the application shall be reported to the Executive Director and a written summary of such communication shall be made part of the certificate of need file.
- (2) All communications between the contact person or legal counsel for the applicant and the Executive Director or agency staff after an application is deemed complete and placed in the review cycle are prohibited unless submitted in writing or confirmed in writing and made part of the certificate of need application file. Communications for the purposes of clarification of facts and issues that may arise after an application has been deemed complete and initiated by the Executive Director or agency staff are not prohibited.

Should you have any questions or require additional information, please contact this office.

Sincerely,

A handwritten signature in dark ink, appearing to read "Mark A. Farber". The signature is fluid and cursive, with the first name "Mark" being the most prominent part.

Mark A. Farber  
Deputy Director

MAF  
Enclosure



## State of Tennessee

### Health Services and Development Agency

Frost Building, 3<sup>rd</sup> Floor, 161 Rosa L. Parks Boulevard, Nashville, TN 37243

[www.tn.gov/hsda](http://www.tn.gov/hsda) Phone: 615-741-2364/Fax: 615-741-9884

March 27, 2013

Kim H. Looney  
Attorney  
Waller Lansden Dortch & Davis, LLP  
511 Union Street, Suite 2700  
Nashville, TN 37219

RE: CN1303-010  
Community Hospices of America – Tennessee, LLC d/b/a Hospice Compassus – The  
Highland Rim

Dear Ms. Looney:

This will acknowledge our March 27, 2013 receipt of supplemental information to your application for a Certificate of Need to initiate hospice services in Lincoln County. Hospice Compassus is currently licensed in Bedford, Cannon, Coffee, Franklin, Giles, Grundy, Hickman, Lawrence, Lewis, Marshall, Maury, and Moore Counties.

Several items were found which need clarification or additional discussion. Please review the list of questions below and address them as indicated. The questions have been keyed to the application form for your convenience. I should emphasize that an application cannot be deemed complete and the review cycle begun until all questions have been answered and furnished to this office.

**Please submit responses in triplicate by 12:00 noon, Thursday March 28, 2013.** If the supplemental information requested in this letter is not submitted by or before this time, then consideration of this application may be delayed into a later review cycle.

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**1. Section C., Need, Item 1.a. (Service Specific Criteria-Hospice Services) CON Review Criteria 1a.-c.**

Is palliative care services provided by area home health agencies?

## 2. Section C, Need, Item 6.

Your response to this item is noted. HSDA staff awaits letters from area discharge planners, physicians, and other referral sources indicating an inability to locate hospice services for Lincoln County residents particularly patients requiring palliative care and pediatric/perinatal care.

## 3. Section C., Economic Feasibility, Item 10

Your response to this item is noted. The Balance Sheet presented only provides information on fixed assets. Please provide a total Balance sheet that identifies current assets, fixed assets and total assets and compares to current liabilities, long-term liabilities, total liabilities, and member equity, if applicable.

In accordance with Tennessee Code Annotated, §68-11-1607(c) (5), "...If an application is not deemed complete within sixty (60) days after written notification is given to the applicant by the agency staff that the application is deemed incomplete, the application shall be deemed void." **For this application the sixtieth (60<sup>th</sup>) day after written notification is May 21, 2013. If this application is not deemed complete by this date, the application will be deemed void.** Agency Rule 0720-10-.03(4) (d) (2) indicates that "Failure of the applicant to meet this deadline will result in the application being considered withdrawn and returned to the contact person. Re-submittal of the application must be accomplished in accordance with Rule 0720-10-.03 and requires an additional filing fee." Please note that supplemental information must be submitted timely for the application to be deemed complete prior to the beginning date of the review cycle which the applicant intends to enter, even if that time is less than the sixty (60) days allowed by the statute. The supplemental information must be submitted with the enclosed affidavit, which shall be executed and notarized; please attach the notarized affidavit to the supplemental information.

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Ms. Kim Looney  
March 27, 2013  
Page 3

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Should you have any questions or require additional information, please contact this office.

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Mark A. Farber  
Deputy Director

MAF  
Enclosure